

# THE BULLETIN

OF THE

National Association of Credit Men  
Series of Nineteen Hundred and Seventeen

With topical index covering subjects treated in the Bulletin during the year, including alphabetically arranged list of missing debtors and a list of parties specially advertised.



Prepared with a view to giving a broad understanding of the activities of the Association and a general knowledge of progress being made toward better credit conditions.

National Association of Credit Men

41 Park Row

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# BULLETIN *of the* National Association of Credit Men

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No. 1

## \*THE SORT OF INFORMATION IT IS FAIR TO EXPECT OF SALESMEN

E. S. BOTELER, President, G. K. Sheridan & Co., New York, N. Y.

It seems but yesterday when there was an unwritten law that a salesman must not set foot in the credit department, that the functions of the credit man and of the seller of merchandise were as far apart as the Poles, and that the latter must be given to understand that he must strictly attend to his own business—the selling of goods, wherein his duty to his house began and ended.

The salesman, on his part, regarded the credit department with an unfriendly eye. He believed that the desirable customer was the man that gave him liberal orders, and when any of these were declined or even held up for investigation, he felt that the credit manager was a narrow individual who cared nothing about disturbing warm relations with customers and was never so happy as when depriving the salesman of credit for a sale.

Happily, these folks have come gradually to look one upon the other first with a more tolerant and now with a eye genuinely friendly, and I am sure that it is only a matter of time before credit managers will realize that potentially the most valuable collectors of "worth while" information, are their salesmen whom they train to see and to observe.

You have often noted how a man takes out his watch, glances at the dial, returns it to his pocket, but if asked the time, he must almost invariably look again before he can answer. His eyes functioned properly, but the first impression was not recorded. I believe that you must start by impressing the salesman with the idea not only of looking about him, but of retaining the photographic evidences of conditions in the customers' store that looking about him has registered upon the visual area of his brain.

A little explanation of the functions of the camera will so illumine, that he will recognize the parts that he must play with eye, brain and will. They say at one of our great colleges, that if a man knows the reason why, he knows the how and when. When you have gotten your man ready to consider the meaning of the things that he sees, you begin to observe that he is becoming aware of the fact that he has ears to hear and a mind to heed discreetly; particularly the comments of his customers' employees and associates with whom he is in friendly touch.

He is now noticing and noting, comparing and comprehend-

\* Presented at Credit Education Conference of New York Credit Men's Association.

ing, and rapidly ripening for your purpose. You must reiterate that he is to conceal from everybody but the credit manager of his own house, not only the information received or dug up, but also the source of that information whether voluntary or otherwise. You must engrave upon his memory that old rhyme which runs:

"A wise old owl lived in an oak,  
And the more he saw the less he spoke,  
And the less he spoke, the more he heard,  
And we should be like that old bird."

It is practicable, where customers are few in number by reason of the magnitude of individual operations, for the credit man to visit regularly these places of business and thus keep in close and friendly but observant touch; but where there are thousands of customers, he must use the eyes and the minds of others, especially of the salesman who can be taught to appreciate his value in this respect.

May I give you briefly the experience of some of my friends who were eminently successful salesmen for some of the large New York commission houses? One, who visited regularly a large wholesale house in Kentucky, began to notice that shortly after the advent of a new partner, the relations between the principal members of the business family were less cordial, and gradually buyers of capacity and experience resigned and were succeeded by those less competent; that the stock gradually became inferior and less attractive while the general air of discord became more and more apparent. By discreet inquiry, my friend found that the local banks were beginning to frown. Acting on the principle that "a house divided against itself cannot stand," all this was reported to his house, and when, a few months later, the jobbing house failed, the New York concern mentioned was not among the losers.

In a city of the middle west, a certain wholesale house began to accept styles and patterns that were *passée* and fabrics that were of the second class, whenever they could do so at a concession in price. As the competition in that market was severe, my friend began to observe carefully, and discovered also that the head of this concern was conferring with representatives of religious and social orders and soliciting the deposit of funds, and what is more, he was making a similar call upon his employees, promising a liberal rate of interest, while any attempt at withdrawal was received unkindly. My friend put two and two together, and perhaps the figures looked like 22, but on his advice his house no longer accepted orders from this concern and by the time of their failure the account had been reduced almost to nothing.

A number of my friends visited regularly, as I did, a large wholesale house near one of the Great Lakes, and while we showed desirable merchandise, we found it as difficult to sell as inferior products unless we entertained the buyers extravagantly, not to mention pursuing other methods more reprehensible. As the management either could not or did not care to institute reforms in practices of which they could not be entirely ignorant, it was



evident that this concern could not very long compete with their efficiently managed neighbors, and we so reported to our houses, and when this concern failed they were chiefly indebted to other jobbers and to smaller manufacturers and commission merchants.

One of my associates heard an employe of a clothing cutter boasting of the shrewdness of his boss who generally had goods beyond his needs which he could sell to competitors. My friend investigated and found that this supposedly shrewd buyer was buying more goods than he could cut up into garments, solely with the idea of selling the surplus in the original package at a slight concession and upon very short terms, and you see he was thus secretly and reprehensibly borrowing from his creditors. As a result, this house shut down upon him, and when he failed its risk had been eliminated.

J. Pierepont Morgan said on one occasion: "It is not the man of wealth but the man of proven character to whom we loan with a mind at ease," and when your salesmen have been taught to see and to observe as you wish them to see and observe, they will certainly lay stress in their advices to you, upon the habits, the methods and the morals of the man. They may go into detail and tell you whether he is devoted to the enterprise which he controls or whether he permits or endures loose ends and careless methods; whether his living expenses are larger than the income from his business would warrant; whether his divergencies from the path of devotion to his business are merely for healthful recreation or are due to the fascination of speculation or of sociable vices; which puts you in possession of the sort of information that you cannot obtain from mercantile agencies and that no attorney, with his eye upon the law of libel, would venture to write you, and you have at your fingers' ends bed rock data upon which you can feel safe in basing your lines of credit.

### **His Standards Higher Than Legal Requirements**

The New Orleans Credit Men's Association put its confidence in the right place when it recommended to creditors, after a thorough investigation, the acceptance of the composition offer made by A. W. Stewart of Hackley, La., and this in spite of the fact that the offer was 15 per cent. The majority of creditors, in number and amount, was satisfied with the findings of the association and the composition was confirmed by the bankruptcy court, distribution made to all creditors and Mr. Stewart received his discharge. Subsequently, Mr. Stewart instituted suit for damages against a certain lumber company, and notwithstanding the fact that he had received his discharge in bankruptcy, he voluntarily promised to turn over for the account of the creditors any sum he would realize out of the damage suit. Certain monies were advanced by the association to enable him to carry on the case. The result was a decision in his favor, giving to the creditors a net sum of \$9,431.90, permitting an extra dividend to the creditors of 20 per cent. Mr. Stewart can now have anything within reason at the hands of the credit men's association at New Orleans.

## \*THE CREDIT MAN AND BETTER ACCOUNTING

By FRANK J. STEPHENSON, Secretary and Cost Expert for the  
National Association of Stove Manufacturers.

During the year 1915 in the United States, there were nearly twenty thousand failures in business recorded by Bradstreet's, with attendant losses of nearly \$130,000,000. Beyond this, were the ordinary losses due to bad debts, not attending business failures. According to the same authority approximately 30 per cent of the failures of the past year have been due to incompetence. Inefficient accounting methods constitute but one of the various forms of incompetency with which business is afflicted. Many forms of incompetency we cannot reach, but this particular form is susceptible of treatment and is of enough importance to merit serious consideration.

Naturally, we look to the prevention of bad debt losses as being the first duty of the credit man, but I think all will agree that it is equally essential that he extend his influence in such manner as not only will protect his house against financial loss, but develop the business of his clients and help them grow, to the end that their buying capacity will be increased to the benefit of his own house.

You have been appealed to most insistently by the Federal Trade Commission, to consider the deplorable lack of accounting methods among manufacturers and merchants in general. Whether these appeals have had any effect or not I do not know, but I am able from personal experience to testify to the substantial accuracy of the commission's statements, so far as they apply to the limited field of operation wherein I have worked.

There is a deplorable lack of reasonably good, intelligent accounting systems among our business men. We have employed bookkeepers or ledger clerks, but have not encouraged accounting by which I mean, that ability to arrange accounts in such manner as to supply information valuable to the management.

It may not be customary to inquire of a prospective customer regarding his accounting methods. It might be resented as an intrusion on his personal affairs. But, just as a matter of cold business, does it not seem reasonable to demand that a business man to whom you are extending a line of credit be willing to demonstrate that he has records which will show with approximate accuracy: First, the approximate cost of producing or procuring the article which he is selling; Second, an approximately correct periodical report of his expenses, so arranged that he can readily discern any fluctuations; Third, an approximately correct monthly report of his assets and liabilities and financial standing.

As a matter of fact, however reasonable this demand may seem, it is one upon which we are unable to insist, as it is probable that there are not 20 per cent of the business houses of the country which have this information. I am not presuming to know what this percentage is, but as I come in contact with business men all

\* Before the New York State Credit Conference at Buffalo, N. Y.

over the country, the percentage is found to be even less favorable than the figure given.

The thought which I bear is this: Inasmuch as the business of the country is dependent upon you (credit men) for its very existence, does not this responsibility impose upon you an opportunity which is almost an obligation to use your influence toward the development of better accounting methods among your customers? Various manufacturers' associations, such as the one which I have the honor to represent, are exerting their influence toward the development of better and more uniform cost and accounting records, and we must recognize the tremendous influence of the federal government, expressed through the Federal Trade Commission in this direction.

The credit men of this country possess sufficient ability and influence to convert a great portion of the business men of the United States to a sound system of business accounting; it is only a question of how this influence can be exerted.

Several manufacturers' associations have employed accountants to visit the various plants for the purpose of influencing manufacturers to adopt uniform and adequate cost and accounting methods; and to render assistance in the introduction of these methods. These accountants have not possessed any special authority and have been compelled to work by moral suasion entirely in the prosecution of their work, yet it has been singularly effective. While the idea may not be practical; in fact, I do not see how it can be carried out, yet this thought will intrude itself: What a powerful influence an accountant could wield if he could go to the manufacturers and merchants as a representative of the credit interests and recommend the use of improved accounting methods!

Edward N. Hurley, chairman of the Federal Trade Commission, probably came wonderfully near a practical solution of this, when he suggested that the banker demand a certificate of a United States registered accountant to the balance sheets of borrowers. The obtaining of such a certificate would require satisfactory accounts.

Having suggested the possibility of influence being exerted by the National Association of Credit Men along this line, I will now tell you something of what has been accomplished through the influence of another organization to secure better cost and accounting records.

The National Association of Stove Manufacturers adopted a cost system in 1907. This consisted of the enunciation of certain basic theories. To one who is not a manufacturer this may mean little; but if you will consider the one item of making castings and the various ways of figuring the cost, you will get the idea. Many foundrymen figure that all castings cost an equal amount per pound; others recognize variation due to size, shape, molding cost, etc. There is a score of methods by which you can arrive at a cost, each method giving a different result, and each having its merits. The manufacturers who sell these goods saw the advantage of all figuring costs the same way, so that all might get approximately the same cost on the same article. Accordingly they established a

formula and said, "This formula is hereby adopted as the correct method of figuring costs." It became the law and was obeyed as such.

Two things are essential in such a formula. First, it must be sound in principle,—not necessarily correct, since every formula has its faults; Second, it must be broad enough to permit application of the theories by means of systems, both simple and complex,—simple for the man who gives little and asks little; and complex for the man who gives much and demands perfection.

When we adopt a standard formula we establish a law or statute which becomes our accepted authority. We have established a unit of measure, a yard stick, if you will. It is something to measure by. Now, in measuring, you may be satisfied to read your measure by inches, or you may wish to read by hundredths or thousandths of an inch. Nevertheless, we have the same measure.

One manufacturer will not spend an extra dollar for clerical help. His system must be crude; nevertheless he gets by with it, using the uniform measure, but perhaps only reading the inch marks on the scale. He cannot measure as accurately as the manufacturer who employs sufficient help to insure accurate results. But how vastly safer he is than under old practice when manufacturers measured by different standards with no established relation between the standards.

Now, with a cost man to go about instructing the manufacturers how to use this system, what is more natural than a steady demand for better records? We find a good scheme here, another there; we tell about them and the demand increases. It is a natural evolution. Today we have our formula established in the large majority of our plants, and there is a constant tendency to demand better results, which means more refinement in operation.

Many manufacturers make the mistake of attempting to install a complex cost system without the necessary preparation. According to my experience, it is better, especially in association work, to start something simple and add to it from time to time, as your office force develops. Where the cost expert can go into the plant and personally supervise the work and train the force, the intricate system will often work, but unless this can be done, it is better to start something simple. The vitally essential thing in costs is to be sure to consider every dollar that should be considered. You can distribute these costs to your product as accurately as your system will permit. Refinement has to do with this distribution. Association cost work can never supplant the cost specialists. We cannot give sufficient time to the individual cases, but we handle hundreds to their one and get them all started along the right road.

Frequently I am called to a stove plant to collaborate with accountants who are introducing a detailed cost or accounting system. This plant probably started with our simple system; perhaps they saw the advantages of better records, but more frequently it is the banker or credit man who insists on better records. Their office force does not possess a man who can develop these records under my general instructions and the limited time I can give.

They require a cost man for some weeks to get them going. They call in a firm of accountants, and I am invited in to see that the theories of our national cost system are adhered to. We always pull together.

Looking at the manufacturing and commercial world as it is today: Business is booming and values of almost all commodities are so inflated as to invite an explosion. Already we see some signs of a decline. One of our daily papers records the reduction of 50 per cent in the wage scale in a munitions plant, and there are insistent rumors of other impending reductions. We know that present conditions cannot last. There will be a climax and a decline. To the credit man this doubtless means much. With declining prices we are most certain to entertain losses.

It is in such a time as this, with values declining and trade being curtailed, that we find demand for quick responsive records. Costs based on last year are not good enough. They must be checked monthly. Expenses must be carefully scrutinized with reference to business done and we must watch our profit and loss sheet carefully.

When all is serene and business is booming; when orders are to be had for the asking and prices are on the increase, there is no occasion to worry about costs and bookkeeping—no call for preparedness. But when the day of reckoning arrives the man who survives through all kinds of weather is the man who KNOWS. A good cost system together with a good accounting system, becomes a business barometer which announces the storm and permits preparation.

We know the conclusion of war will bring with it economic changes. Slowly will Europe return to pursuits of peace, and just so surely will these changes find reflection in our manufacturing and commercial world. Many of our business men predict a continued demand for American goods and granting that this may be so, there will be curtailment of various lines, with resulting shifts of business. To the credit man these are disturbing, for while the general business may hold up, there will be many sore spots to bear watching.

Most men are inherently honest. They will make a shift and protect themselves and their creditors from loss if possible. But too often they do not realize their condition until too late, and then comes the struggle for self-preservation, and the creditor must look out for himself.

Lack of capital was formerly accounted the most fatal factor in business failures. Today we find that incompetency has been accorded that honor. This changed condition is due to the fact that competition is getting keener and that a man must know his business in order to succeed. The mere possession of capital will not ensure business success, since, with our close competition an apparently trivial error in costs or accounting, or any one of the other phases which incompetency may induce, requires but a short time to exhaust the surplus. I was in a man's plant a short while ago and found that his leading stove was being sold at a loss. In this instance there was sufficient capital, but he made no money. I



laid out a scheme of action covering three years, in which time he was to overcome conditions resulting from this incompetency. This case, while extreme, is not exceptional. In scores of instances, we have been able to point out where men have been losing money, due to poor cost keeping.

Knowledge is becoming the big factor in successful business—not a knowledge such as succeeded in past decades. The successful manufacturer of today surrounds himself with the best technical knowledge money can buy. Every department of his business, from the buying of the material to the marketing of the product, is in charge of men specially trained in their own line of work. Commercial establishments are not less developed. The men in charge of the various departments are specially trained for their work and specially selected. Big business has not neglected to surround itself with intelligence, but in the world to-day there is a preponderance of small business, much of which is being conducted in a haphazard manner by men who have not qualified for their positions and who have not surrounded themselves with intelligent safeguards. These are the men to whom these thoughts are largely directed; these are the men to whom we owe a responsibility, and it is with these men in view, that I urge very seriously the possibility of exerting every possible influence to help overcome the increasing menace of incompetency in business, particularly that phase of incompetency due to inadequate cost and accounting records.

### Percentage of Profit

R. W. TOUZEAU, in the Cleveland Bulletin

The practice is general in our public schools to teach the figuring of profit on the basis of cost of article instead of the selling price. Salesmen, buyers and storekeepers continue to figure their percentage of profit on cost and their percentage of operating expenses on selling price, which erroneous system is every day causing needless failures.

There are eight reasons why the percentage of profit should be figured on the selling price and not on the cost:

First—Because the remuneration of salesmen is figured on a certain percentage of the selling price.

Second—Because the percentage of expense of conducting business is based on the selling price. If you talk percentage of profit on cost and percentage of expense on the selling price, where are you?

Third—Because the mercantile and other taxes are invariably based on a percentage of the gross sales.

Fourth—Because the sales totals are always given in books of record—cost totals are seldom, if ever, shown.

Fifth—Because a profit must be provided for two items of capital—one the capital invested in merchandise—the other the capital necessary for operating expenses and other expenditures not properly chargeable to merchandise account. This is only possible by figuring profit on the selling price.



Sixth—Because it indicates correctly the amount of gross or net profit when amount of sales is stated. The percentage of profits on sales is indicative of character of result of years' business—percentage of profit on cost is not.

Seventh—Because allowances in percentage to customers are always from the selling price.

Eighth—Because no profit is made until sale is actually effected.

EXAMPLE No. 1—An article costs \$5 and sells for \$6. What is the percentage of profit? Answer 16 2-3 per cent. Process—Six dollars minus \$5 leaves \$1, the profit. One dollar divided by \$6, decimally, gives the correct answer, 16 2-3 per cent. This operation is simple and knowledge of it being vital to anyone engaged in, or intending at any time to engage in business, it should be carefully committed to memory and constantly borne in mind.

EXAMPLE No. 2—An article cost \$3.75. What must it sell for to show a profit of 25 per cent? Answer, \$5. Process—Deduct 25 from 100. This will give you a remainder of 75, the percentage of the cost. If \$3.75 is 75 per cent 1 per cent would be \$3.75 divided by 75 or 5 cents, and 100 per cent would be \$5. Now, if you marked your goods as too many do, by adding 25 per cent to the cost, you would obtain a selling price of about \$4.69, or 31 cents less than by the former method. Which is right? When you take 25 per cent off the selling price, figured according to the first rule, you will still have your cost intact. Take 25 per cent from the second sum and see if the cost remains.

### \*Legislatures in Session, 1917

The following is a list of the state legislatures which meet in 1917, and the dates when they will convene:

State	Session Begins	Duration	State	Session Begins	Duration
Arizona	Jan. 8,	60 days	New Hampshire	Jan. 4,	no limit
Arkansas	Jan. 9,	60 days	New Jersey	Jan. 10,	no limit
California	Jan. 8,	no limit	New Mexico	Jan. 10,	60 days
Colorado	Jan. 3,	no limit	New York	Jan. 4,	no limit
Connecticut	Jan. 3,	no limit	No. Carolina	Jan. 4,	60 days
Delaware	Jan. 2,	60 days	No. Dakota	Jan. 3,	60 days
Florida	Apr. 3,	60 days	Ohio	Jan. 2,	no limit
Georgia	June 26,	50 days	Oklahoma	Jan. 2,	60 days
Idaho	Jan. 2,	60 days	Oregon	Jan. 8,	40 days
Illinois	Jan. 3,	no limit	Pennsylvania	Jan. 3,	no limit
Indiana	Jan. 4,	60 days	Rhode Island	Jan. 3,	60 days
Iowa	Jan. 9,	no limit	So. Carolina	Jan. 10,	40 days
Kansas	Jan. 9,	50 days	So. Dakota	Jan. 2,	60 days
Maine	Jan. 4,	no limit	Tennessee	Jan. 2,	75 days
Massachusetts	Jan. 4,	no limit	Texas	Jan. 9,	90 days
Michigan	Jan. 3,	no limit	Utah	Jan. 9,	60 days
Minnesota	Jan. 3,	90 days	Vermont	Jan. 4,	no limit
Missouri	Jan. 4,	70 days	Washington	Jan. 9,	60 days
Montana	Jan. 2,	60 days	W. Virginia	Jan. 11,	45 days
Nebraska	Jan. 3,	60 days	Wisconsin	Jan. 11,	no limit
Nevada	Jan. 16,	60 days	Wyoming	Jan. 10,	40 days

\*Furnished by National Implement & Vehicle Association.

**\*INFORMATION****Where to Get It and How to Use It. From the Standpoint of the Investigator**

C. I. DEARDEN, Irving National Bank, New York, N. Y.

"Information, where to get it, and how to use it." Probably a short answer would be, get it anywhere you can, but get it, and then use it discreetly. From the standpoint of an investigator the question largely resolves itself into, "What to get, where to get it and how to go about getting it." Now, it seems to me that in order to go about getting information intelligently, an investigator must first of all know the purpose of the inquiry, just what is wanted, and just why it is wanted. This determines the scope and nature of his inquiries, for an investigation made for one purpose might not be of particular value for another purpose. Further, knowing the purpose of the inquiry gives confidence in interviewing people, and in turn generates confidence in those interviewed. Nothing will make people freeze up more quickly than to tell them that you do not know how the proposition came up. The only way to get free, frank and unreserved information is, in my experience, to be free and frank yourself, and thus justify your right to ask information.

Now, the determination of most any credit problem is largely dependent upon the information at hand regarding it, and the value of the information is largely dependent upon who it is that gives it, how well informed he may be and how freely and frankly he divulges what he knows. In other words, good information must not only be authoritative but honestly given, and the best information is not only the honest information, but that given in a friendly and confidential spirit, for one naturally does not give confidences to strangers, nor shout them from the house-tops, hence the value of friendships to the investigator. The good investigator knows how to cultivate good friends and many of them, for friendship connotes good information.

Now, as to methods, we insist in our bank upon an investigator informing himself as fully as possible regarding his prospective proposition before he starts out. Most investigations are no more than revisions, anyway, with sufficient leads and available information to make proper inquiry. We expect our men to analyze their prospective proposition thoroughly with particular reference to where the weak features may be, the joints in the armor, and then to make their inquiries accordingly.

Consider next with me what to look for. Generally speaking, if a man borrows money he should use it to pay his merchandise bills and we, therefore, make some inquiry in the trade as to the manner in which he is meeting those bills. If he is not taking proper care of his merchandise obligations, we naturally surmise

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\* Presented at Credit Education Conference of New York Credit Men's Association.

that he is not putting his loans to proper use. This naturally leads us to the question as to how much money he borrows, and then as to whether he handles himself well with his sources of money credit. A real part of an investigator's duty should be to uncover all sources of credit and the extent to which they are employed, and a good investigator will at all times look out for additional bank accounts as he goes. In this connection, a number of houses in different lines of trade keep a record of the bank accounts of their customers, and an investigator can frequently learn of additional accounts in those quarters. It pays also to obtain statements of condition from all sources possible, and then compare those of similar date. The surprising thing is the frequency with which statements of similar date differ in all other respects, and then the question immediately arises as to which is correct, or whether, in fact, any one of them is dependable.

Now aside from these fundamentals coming into most every investigation, the bank man is largely dependent upon two things as to the manner in which he goes about his work. Those two things are the character of the statement made and the line of business under review. In the banking business we deal with every other line of business under the sun, and naturally we cannot hope to know a great deal of the details of any of them. About all that we can hope to accomplish is to cover the fundamentals arising in any particular line and then to depend largely for close information upon authorities in the different lines of trade,—representative, broad-minded, experienced men, who know their particular line thoroughly—and a good investigator will cultivate such authorities accordingly. Many lines come up for review but occasionally, and even a man with the widest acquaintance and experience will at some time be at a loss to know how to go about his investigation. Often, however, by seeing a competitor, one is helped in getting a line upon the special problems and dangers of a given branch of business, its sources of supply and its outlets, where the house in question is likely to buy or sell, and these in turn can be developed once a lead is established. Or you can go into a man's place and look over his shelves and fixtures for character and brands of merchandise, and follow these up, or even the rental agent may at times be able to tell you upon what bank the house draws its rent check.

Now, as to statements, as a guide to the investigator. Statements can safely be said to be noteworthy for two things—the things they show and the things they don't show. There is an old saying,—“figures won't lie,” but men will figure. Therefore, read statements carefully up and down and side by side. So read, they will suggest many points of interest. I sometimes think that a statement is a good deal like a show window—made to attract—“See how fine are the goods we display.” Or, a trip up Fifth Avenue on Easter Sunday, dressed for the day and for our friends to remember us by for the 365 days following. For on that statement, other things being equal, will many men judge the extent of the credit to which they consider the maker entitled. In other words, the statement, as a rule (and properly so), can be considered to show the condition of a man at his best.

But the question arises as to what is on the other side of the picture. Conceded that a man who owes nothing cannot fail, he as a rule does not fail until he owes more than he can pay, in other words, until he owes too much. The point is, therefore, to find out how much money the business owes at its high point, the peak of the load. The answer depends upon the character of the business and the character of the management. I know of one concern that owes practically nothing on statement date, but which at the height of its season will owe \$5,000,000 on a working capital of \$1,000,000. Assuming that the concern puts its borrowed money and working capital into merchandise, its statement at its peak would read \$6,000,000 to pay \$5,000,000, or in other words, it would be in a position where assets would have to depreciate but sixteen cents on the dollar to wipe out the working investment. But the answer to that statement is that its assets consist of one of the quickest things of which we know—grain. Somewhat the same reasoning applies to other seasonal business, such as wool, flour, cotton, etc. Therefore, in investigating such risks, find out how far a given business stretches itself, and how thin it spreads its investments as compared with those of its creditors—in other words, where speculation begins—and also as to whether or not some wise credit man is getting the real collateral.

Also, in analyzing the statement consider if it shows accounts payable and ask some of the big trade creditors what was owing to them on statement date; then do likewise with respect to bills payable and the banks. You get some surprising answers sometimes. And, conversely, where located money credit sources do not come within striking distance of the bills payable, remember that there may be concealed borrowings which have not come to light. Neither the statement nor the investigation is the last word—they must be taken together and support each other. Know the terms of the trade. Do the receivables look small for the terms and turnover? Look out for offsets, cashed accounts, finance company arrangements, etc. Is the merchandise large and growing or not well cleaned out around statement date in a season business? Look out for dead stock, and for dead receivables. Is there a bond issue? Get to the indenture and satisfy yourself that it is against slow assets only. Are there any other companies or close affiliations? Look out for inter-company assets and liabilities, padded assets and liabilities conveniently carried in the statements of those other companies whose figures are not available. Many times inter-company relations, meaning inter-company debits and credits, may be traced in the trade through evidence of one company paying another's bills, which, of course, must be reflected somewhere in the balance sheet. In short, get under the statement, lay out your investigation before you go out of the door and look particularly into such features as have been indicated. For after all in lending money or selling merchandise it is presumably done upon security just as much as if it were in your own hands as collateral. The difference is, and it is a vital one, that the collateral is in the hands of your customer to realize upon, and that, therefore, you must satisfy yourself that it actually is there, and also that the hands are honest hands.

This brings us to the moral end which is after all the big end of any risk, for any business in the final analysis is what the management makes it. That is the difficult end for the investigator, for he, as a rule, personally is not in a position to know much about what kind of a man made the statement. Generally speaking, however, as a man thinks so he acts, and while you cannot know what a man thinks you can judge somewhat by his acts as to what manner of man he is. I personally believe that if there is a yellow streak in a man, dealing with many people over a term of years will bring it out and that consequently the business record of any management is about as good an indication as to what it is as you can get.

In general, there is no panacea for bad debts, but the things that go to make for bad debts can many times be recognized by an investigator if he will keep his eyes open and use his common sense. Finally, inasmuch as a bank makes long credits, an investigator should get something on general conditions prevailing at the time and the outlook, for when six months rolls around conditions may then be such as to make it difficult for the borrower to meet the note which you are taking at the present moment, particularly so with speculative lines or borrowers who use their credit actively.

I believe that there are no such things as rules in judging credit or in credit investigating but if there are any they are subject to revision and breakage at any time. However, out of my experience I am going to mention a few "Don'ts" which may have some value. I say:

Don't expect to find a perfect risk. I believe there is no such thing any more than there is a perfect man. I believe that if you will look deep enough into any risk, you can find in it means for justifiable criticism. The important question is how serious are such criticisms? Do they indicate a blemish or a serious defect? Judge accordingly.

Don't be mechanical in investigating credits. Investigation cannot be put through a hopper. The mechanic is apt to be relegated to strictly mechanical duties. Judge each risk by itself.

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Don't prejudge a risk, and then make your investigation bend itself to your prejudice. Don't take chances with your own reputation for integrity, veracity and accuracy. These qualities after all represent your principal capital, and any attempt to color, garble, add to, or detract from interviews, will, if discovered, bring your whole reputation into question and render you useless. You can rest assured that some other investigator will be given the assignment next time.

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Don't be afraid of anybody or anything and have the courage of your convictions. Be courteous, it brings more, although it may not give quite so much personal satisfaction at the time.

Finally, study human nature, not occasionally, but all the time. Get the other party's slant, his viewpoint. Is he a large creditor? Naturally (even if subconsciously) in his own interest he will lean a little in favor of the debtor in what he says, particularly if he has well satisfied himself of the risk. Is he a competitor? Human nature makes him naturally antagonistic, even though he tries to be fair minded. Is he a debtor? Naturally he speaks well of the man to whom he is under obligation. Is he a merchandise credit man? Naturally he looks at it with a merchandise credit man's problems in mind and his viewpoint. Is he a salesman? Naturally things are rosy, it's to be expected. While a bank man—well he is apt to want to melt a gold dollar to see if it is good. But judge all of those interviewed according to their lights;—a curb broker's opinion of a given mining stock is apt to be quite different from that of some old fashioned bond house with an old fashioned clientele, for instance—and then judge their facts and opinions accordingly.

After all is said and done the study of credits in its final analysis is the study of human nature in all its variations, frailties and sterling qualities and the man who handles credits from that standpoint will get the best results.

### **The Railroad and Composition Settlements**

Recently the Bulletin had called to its attention a case before an adjustment bureau in which a compromise settlement was being sought for a hay and grain dealer, who owed, among other debts, a railroad company several thousand dollars for freight charges. The question arose whether under the rulings of the Interstate Commerce Commission it would be lawful for the railroad company to accept a compromise settlement, the point in mind being that this might open the railroad company to suspicion that it was giving lower rates to one concern and not to another. Counsel for a large railroad company in New York was asked his opinion. He said that he was not aware of any ruling by the Commerce Commission which would make it unlawful for a railroad company to accept a bona fide compromise from a shipper in financial difficulties, whether the proceeding be in the state court or in the bankruptcy court. The attitude of the railroad company would be to collect whatever it could by lawful means, but also to make proper allowances for conditions which might prevent the railroad company from collecting the entire debt.



## The Credit Man and His Work

### ARTICLE IV

In presenting the other qualities that are especially needed by the credit man to make his work effective, the difficulty presents itself of discriminating as to their relative importance, just as one experiences difficulty in indicating what stone in a structure is more important than another as he examines it from the foundation to the keystone.

In the present chapter, we would speak first of "Flexible Firmness." Such a description of a quality appears at first blush as paradoxical, but there is a shading of firmness that can truly be called flexible, without being soft or yielding to every demand.

After reviewing the information that has been assembled on a credit risk and reaching a conclusion, the credit man should hold to his conclusion and not be shaken by a word from the salesman, a remonstrance from the buyer or the attitude of his principal. This is a situation where the real stuff of which the credit man is made is put under test. Mistakes are all the time occurring because he departed from his conclusion under fire and does not adhere strictly to his carefully worked out conclusions.

Interfering with the credit man in the reaching of his judgments on credit risks undoubtedly imperils the effectiveness as well as the productiveness of the credit department, and when a principal condemns either before or after the judgment of the credit man has been demonstrated, he strikes a direct blow at the credit department technique.

A young credit man upon rejecting a considerable order was called into the office of his principal. The principal said: "John, I have talked with our salesman about this party, and he feels sure that your judgment is incorrect; I know the salesman well, and I am going to overrule your judgment, and ask you to approve the order." Of course the credit man yielded but his judgment was vindicated for within sixty days the buyer was in bankruptcy. Then the principal again called the credit man into his office and said, "John, you remember I overruled your judgment and instructed you to approve an order when you had decided against its approval; we have lost, and now I want to say to you whenever I interfere with your department and tell you either to accept or reject an order contrary to your opinion, you tell me to mind my own department, and I will thank you for it."

Flexible firmness is a needed quality for productive credit work. The firmness that is not obstinate, the firmness that sustains a well taken judgment, but the flexible firmness that will yield to reason and overrule the form of decision if there is positive and undeniable evidence obtained later that the decision was incorrect.

The overruling of a decision upon a credit risk should be taken with the very closest consideration and with double the care and thought that had been devoted to the reaching of the original judgment for let us bear in mind that we must be firm but flexible, and stand fast to our judgments yielding only when there is indisputable reasons for the yielding.

But the question arises as to what is on the other side of the picture. Conceded that a man who owes nothing cannot fail, he as a rule does not fail until he owes more than he can pay, in other words, until he owes too much. The point is, therefore, to find out how much money the business owes at its high point, the peak of the load. The answer depends upon the character of the business and the character of the management. I know of one concern that owes practically nothing on statement date, but which at the height of its season will owe \$5,000,000 on a working capital of \$1,000,000. Assuming that the concern puts its borrowed money and working capital into merchandise, its statement at its peak would read \$6,000,000 to pay \$5,000,000, or in other words, it would be in a position where assets would have to depreciate but sixteen cents on the dollar to wipe out the working investment. But the answer to that statement is that its assets consist of one of the quickest things of which we know—grain. Somewhat the same reasoning applies to other seasonal business, such as wool, flour, cotton, etc. Therefore, in investigating such risks, find out how far a given business stretches itself, and how thin it spreads its investments as compared with those of its creditors—in other words, where speculation begins—and also as to whether or not some wise credit man is getting the real collateral.

Also, in analyzing the statement consider if it shows accounts payable and ask some of the big trade creditors what was owing to them on statement date; then do likewise with respect to bills payable and the banks. You get some surprising answers sometimes. And, conversely, where located money credit sources do not come within striking distance of the bills payable, remember that there may be concealed borrowings which have not come to light. Neither the statement nor the investigation is the last word—they must be taken together and support each other. Know the terms of the trade. Do the receivables look small for the terms and turnover? Look out for offsets, cashed accounts, finance company arrangements, etc. Is the merchandise large and growing or not well cleaned out around statement date in a season business? Look out for dead stock, and for dead receivables. Is there a bond issue? Get to the indenture and satisfy yourself that it is against slow assets only. Are there any other companies or close affiliations? Look out for inter-company assets and liabilities, padded assets and liabilities conveniently carried in the statements of those other companies whose figures are not available. Many times inter-company relations, meaning inter-company debits and credits, may be traced in the trade through evidence of one company paying another's bills, which, of course, must be reflected somewhere in the balance sheet. In short, get under the statement, lay out your investigation before you go out of the door and look particularly into such features as have been indicated. For after all in lending money or selling merchandise it is presumably done upon security just as much as if it were in your own hands as collateral. The difference is, and it is a vital one, that the collateral is in the hands of your customer to realize upon, and that, therefore, you must satisfy yourself that it actually is there, and also that the hands are honest hands.

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Another essential quality is, a power to appraise properly human nature. Credits deal with the human equation. Reposing confidence in man which is another definition of credit granting, implies that dependence is placed upon human qualities for the fulfillment of a contract that is often nothing more than a human promise. Therefore to understand and appraise human nature properly is required of the credit man, and if he lacks this faculty, efforts should be made in the most direct and effective way for its acquirement. Even though the credit seeker and the credit grantor may not come face to face and give the opportunity for the near at hand inspection, yet with this faculty highly developed, the credit man can discover the human attributes of the buyer through his correspondence, and through other media of which the buyer may be quite unconscious. In the old days of credit granting this was one of the chief instruments of the credit man in approving or rejecting credit risks, for then it was that the buyers came to market during the two seasons or with greater frequency and there was opportunity for buyer and seller to become personally acquainted.

The writer remembers how he often arose from a conversation with a buyer impressed strongly that the buyer morally did not "smell just right." He reached the conclusion that the buyer was not honest. Why he came to decide this, was frequently unexplainable. It is fortunate that we have passed from the period of this instinctive work into the period of more intelligent work when channels are charted, when information is generally obtainable and judgments may be reached with a higher degree of safety. The turning of a hand, the direction of a glance can tell volumes to the appraiser of human nature, and no matter how skilfully the seeker of credit endeavors to conceal his true condition and purposes, if he plans to perpetrate a fraud or to enter upon an enterprise when insufficiently prepared, the exterior will sooner or later be penetrated by the credit man with a thorough understanding of human nature, and he will get at the real heart of the buyer's intentions or deficiencies. Rules for the cultivation of this attribute cannot be laid down, but it is splendid training for the credit man in his office work or in his social duties to study men, to appraise them, and check his conclusions as he gets the opportunity.

The training of a credit man is no mean undertaking, for he must possess and represent qualities of a high and practical character, and be always in the school of training. Failure to be constantly on the alert means that powers fall away and the chance to hold a position at the forefront of a credit fight is lost.

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In the course of his work, A. M. Meckelnburg of the Mishawaka Woolen Mfg. Co., Mishawaka, Ind., says he comes across some names that positively will not yield to ordinary methods of expression, the tongue simply being unable to handle them. They have to be played on a flute. "Here is one, however, that requires more, it requires a piccolo—Walter Unejewski." He has just been sentenced to the state penal farm of Indiana, where he probably will be known by a number for the next 180 days, and this will help out some.



## Some Interesting Sketches from Commercial History

### ARTICLE III

In passing from the period when Greece through its people and colonies controlled the world's trade, we go logically into the period of the Roman domination, though as a matter of fact the Roman was not by constitution or temperament a trader.

Greece and its colonies became Roman provinces. The arms of the Romans were irresistible until they sought to conquer the Parthian desert. The Roman prior to the Augustan period was a soldier and a maker of laws. Whilst unfitted by reason of temperament to be a trader himself, yet the Roman appreciated the powers and facilities of trade and many of the Roman laws for the just protection of trade still live in the system of the civil law.

The disposition of Rome was to consolidate its various provinces and bring the people of different bloods and temperaments into a close working social and governmental arrangement, so far as racial differences would permit. It is therefore a very interesting study to note the Roman disposition working out in governmental matters, and the liberality with which the conquered provinces generally were controlled. This disposition, or possibly we might say regulation, allowed to the people of the various provinces, the opportunity of following their trading instincts.

As Rome in the Augustan period was a city of a million and one-half population, many of whose citizens were living on the general favor, we can surmise that to provide the necessities of the common people and the necessities and luxuries of the Patrician class there gravitated toward Rome the traders of the provinces and thus what we would term the Roman period of the world's trade control, could not be classed as were the two previous periods as the expression of the native born Roman.

The Grecian was in Rome catering to the artistic side of the luxurious habits that Rome's wealth had developed, the Egyptian, the Syrian, the Gaul, the Spaniard, were also there, and following out their native tendencies in trade. Grain from Egypt was one of the Roman's necessities, and the approach of the annual fleet was made a public holiday, for thereby was assured sufficient sustenance for the Roman who did not care to work, nor to fight. The metals came from Spain and from some of the islands of the Mediterranean, textiles came from Gaul, tin from Britian, finer stuffs from the Grecian cities of Asia Minor, and spices from India. The neighborhood of the Black Sea also contributed to the necessities of the metropolis, and without entering into detail we can fancy a busy hive of industry with flotillas covering the Mediterranean, and a trade interchange centering largely in Rome. Its principal port of entry, Puteoli, was a busy place for it required a large exchange of commodities to sustain the Roman Empire, and trading grew into larger dimensions than the world up to that time had ever known.

The needs of a city so large numerically as Rome, during the Augustan period and later, required a number of the traders to

supply, and there arises now from this complexibility of needs and demand a natural tendency that afterwards becomes marked in the history of commerce. We refer to a gravitation of traders in the same line or craft toward one another for mutual protection and the development of their industry, Rome giving us the first record of the "Trade Guilds."

History does not record with exactness, how these organizations were constituted, what purposes they were intended to promote or conceive, but our interest is more largely in the fact that there was brought out at this period an expression of a trade tendency.

We cannot say to what extent trading was done on credit terms during Rome's domination of the world. We can presume, however, that some character of credit facility prevailed, though not to the extent that it might be called a system or a distinguishing mark of trade.

The first currency used by the Romans was largely of copper, then came silver and later gold.

A nation so strongly inclined toward law-making would be distinctly regardless of systematic practices in trading, and what might have happened if the curtain of darkness had not fallen upon Rome through the invasion of the barbarians, makes interesting subject of conjecture.

Many reasons have been assigned by historians and students for the decline and fall of the Roman Empire, but the chief contributing causes, it would seem, were the bringing in of mercenaries to fight the battles of Rome, the encouragement of luxurious and dissipated habits amongst the people, the time idly wasted in the scenes and orgies in the Arena, and the lack of preparation, physically and industrially to meet the forest trained men of the north who with their bear skin and spear overran the empire and made Imperial Rome a memory.

We have thus found in the study of three eras, decadence linked up with underfered moralities, a lack of training that is the best guarantee of a nation's perpetuity, a lack of ideals that makes men love to work, and when necessary to fight for that which is honest and right.

Perhaps the reader may consider we are dwelling upon the moral features of our story too largely, for the historian has told the tales of financial Greece and Rome many times, leaving it largely to the reader to determine to his own satisfaction the real reasons of decadence why all three nations failed to endure through the centuries.

With the coming of the forest trained man, industry and training became by-words, and the world entered upon what is known historically as the "Dark Ages."

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**Members of the Association having communications from J. A. Burroughs, formerly in business at Portland as Commercial Supply Co., Inc., are asked to get in touch with the National office. He is said to have been more recently in Pittsburgh and then at Baltimore.**

## **An Appreciation of Association's Work for Trade Acceptance System**

A recent issue of the "Saturday Evening Post" carried an editorial, in which the National Association of Credit Men was commended for its stand in regard to Trade Acceptances. The editorial reads, in part:

Credit is one of the country merchant's chief afflictions. He does not sell on time, but on eternity. In many cases when he hands over an armful of goods and charges it, the implied terms of the sale are that the buyer shall pay when it is convenient. Often he buys on the same indefinite terms. The goods are billed to him at sixty or ninety days; but that is an indefinite obligation. He pays when he can. So there is always outstanding on the books of the jobbers, wholesalers and retailers an immense amount of indeterminate and more or less questionable credit that is subject to a heavy discount and high interest charges when it is converted into bank credit.

Credit acceptances would turn a large part of this from a bad credit instrument into a good credit instrument. If retailer owes wholesaler a thousand dollars on open book account, the wholesaler can borrow from the bank, on a basis of that asset, seven or eight hundred dollars, at 6 per cent. But if retailer gave wholesaler a trade acceptance for a thousand dollars, the wholesaler could discount that at the bank for its full face value at 5 per cent or perhaps less.

That this arrangement would react to the benefit of the retailer seems clear. \* \* \* He sees mail-order houses doing a business of one hundred million or two hundred million dollars a year on a strictly cash basis. He must know that so long as he buys and sells on indeterminate credit he will be at a disadvantage.

No one should be more interested than he in the introduction of a system whereby, when a dollar's worth of goods is sold on time, a dollar's worth of bank credit, realizable at low interest rates, results from the sale. The Federal Reserve Banks and the National Association of Credit Men are working for general use of trade acceptances. It is a good work.

## **The Kansas City Convention and Yellowstone Tour**

The twenty-second annual convention of the National Association of Credit Men is to be held at Kansas City, Missouri, June 19-22, 1917. In connection therewith, and following the successful precedent of 1915, there is being planned a special trip or tour following the days of the convention, when some of the wonder places of Colorado and the Yellowstone National Park will be visited.

That credit men and their families enjoy this traveling together needs no further proof than was given by the Pacific Coast trip of two years ago, and that this new trip offers great possibilities of pleasure and profit requires no demonstration.

It is expected that full details of the proposed trip will be presented in the February Bulletin.

## **The Investigation and Prosecution Committee Reports Its Conclusions as to Management of Prosecu- tion Fund**

The chairman and executive members of the Investigation and Prosecution Committee of the National Association of Credit Men have been carefully considering the rules for the governance of the investigation and prosecution department to be operated in the office of the Association at New York. The committee concluded its best course at the start was to enunciate the general principles on which the department would proceed to its task and not absolute rules, feeling that considerable latitude must be given those in charge of the department for the exercise of their judgment until such time as experience has pointed the way to perform the largest service.

With this thought in mind, the following general principles were decided upon and are announced to the individual members of the National Association of Credit Men and the local associations that have contributed to the fund that has been placed at the disposal of the department or otherwise have assisted it in such manner as to entitle them to participate in the benefits.

### **CARE OF THE FUND**

I. Income derived from subscriptions to the fund and from other sources will be deposited in equal amounts in the Essex County National Bank of Newark, N. J., and the First National Bank of Philadelphia, Pa., until the deposit in each of these banks has reached the sum of \$7500, thereupon other depositories may be named or a larger sum placed in the two depositories named.

Withdrawals from the depositories shall be made only by voucher signed by the chairman and by the secretary-treasurer of the National Association of Credit Men.

There is to be maintained in the American Exchange National Bank of New York City, subject to withdrawal upon the order alone of the secretary-treasurer of the National Association of Credit Men, monies which in the aggregate shall not exceed at any time \$2000 to be used for the payment of the current bills of the department, said monies being derived from recognized prosecution fund sources.

II. The accounts of the department are to be kept in the National Office under the direction and supervision of the secretary-treasurer. They shall be audited annually by a certified public accountant and a report made of receipts and disbursements to each annual convention of the National Association of Credit Men. In addition a report of receipts and disbursements shall be made monthly by the secretary-treasurer to the chairman and executive members of the committee immediately in charge of the department.

III. The Investigation and Prosecution Fund is to be charged only with the current expenses of the department, incident to its maintenance, including legal services in connection with the in-

vestigation and prosecution of cases undertaken in conformance with these regulations.

IV. Reports regarding receipts and disbursements, or what the department has done or undertaken, will be furnished subscribing associations and subscribing individual members upon request made in writing to the secretary-treasurer of the National Association of Credit Men.

#### USES OF THE FUND

I. No prosecution is to be undertaken exclusively by the department, but in conjunction with local committees, creditors' committees, individual creditors, except when it is possible to accomplish results through the services of the Department's representative in Washington where violations of the postal laws are involved.

II. Individuals or local associations that have contributed to the fund, or assisted it along lines that will entitle them to participate in its benefits, may submit suspicious cases to the department with a view to determining whether there is or may be discovered sufficient evidence for a successful prosecution of the case.

III. When requests are made of the department by a subscribing individual or association, or by one entitled to its services, concerning an investigation or for co-operation or financial assistance in conducting a prosecution, the complainant must agree to assist the department and to co-operate with the department in every reasonable way along such lines as it or the committee may find necessary to bring the case to a successful conclusion; and there shall be filed with the department all the evidence and data in the possession of the complaining member in order that the department may determine, with the advice of the committee, whether or not the case can be undertaken or assistance given.

IV. No case will be undertaken by the department or receive its assistance until approved by the chairman and at least two other executive members of the Investigation and Prosecution Committee.

In cases involving questions and difficulties out of the ordinary, a majority of the executive members of the committee will control and decide whether or not the national fund may be available for the prosecution.

V. In emergency cases calling for quick action in order that justice may not be defeated or the difficulties of the prosecution increased, and upon the urgent request of a contributing local association, the department, with the consent of the chairman alone, may dispense with the foregoing regulations and act in agreement with the necessities and circumstances of the case.

VI. No complaint will be considered or entertained by the department unless the complaining creditors agree in writing direct to the department or to the local association to accept no settlement or composition of their claims except with the consent and approval of the Investigation and Prosecution Committee of the National Association.

VII. Where the advice of counsel is needed by the department



to determine upon the complaints and data therewith submitted and what action would be proper to take, such may be secured at the discretion of the department and the chairman.

VIII. An arrangement shall be made with one of the leading national detective agencies for detective service on a per diem basis, its service to be made available to all local associations or creditors' committees when undertaking the investigation of suspicious cases and to the department of the National Association when giving assistance in the investigation of suspicious cases.

#### PREVENTATIVE FEATURE

It will be permissible for individual subscribers and for members of local associations that have contributed to the fund or given assistance that entitles them to participate in its benefits, to make a display by sign or hanger that they are subscribers to the Investigation and Prosecution Fund of the National Association of Credit Men; and it is urged upon members that they have imprinted on their stationery notice to the effect that they are members of the National Association which will assure for them the protection and advantages which an extensive knowledge of the fund should give.

#### DIVISION OF COSTS

In cases undertaken by the department upon complaint of individual subscribers and subscribing associations the expense will be divided between the complaining association, other associations where creditors are located, non-affiliated creditors so far as they can be induced to participate, and the national fund in equitable proportion.

While local committees of investigation and prosecution are to conduct investigations and prosecutions when the debtor is at their location or within their district, the desire is that the expenses be assessed in proportion to the interests involved, the only basis as it seems to the committee that will give a permanently efficient working fund.

#### PUBLICITY

It is believed by the committee that one of the best services to be performed by the national fund is to discourage commercial fraud by disseminating widely information that the fund exists and will be used for the prosecution of the commercially fraudulent.

That this may be brought about, items regarding the fund and activities of the department shall be prepared by the publicity department of the National Association of Credit Men or by the prosecution department, and copies sent to the local associations for publication in local bulletins and in the local press.

#### LOCAL REPRESENTATIVES OF THE COMMITTEE

Members of the committee in their several localities are to be called upon for assistance, advice, and opinions about com-



plaints reported from their district and are also to be at the service of local creditors or local associations for advice and assistance in determining whether or not a case is deserving of investigation in the hands of the national department.

### **Trade Acceptance Given a Thorough Test by Large Furniture Manufacturer**

The following communication received at the office of the National Association from a large furniture manufacturer is given without comment, for it speaks for itself:

"We started to use trade acceptances the first of April, but did not encourage their use much until the first of September. We used them at first with dealers who had good credit ratings. Later we concluded to urge them upon slow rated dealers and have retained the biggest percentage of dealers as satisfactory accounts through agreements to sign trade acceptances, which have been paid promptly in all instances.

"We have very largely overcome terms abuse incident to the open account through the use of these acceptances, and have developed no marked weaknesses through their use. Our difficulty was almost entirely due to the lack of knowledge concerning these instruments in this country. We think them so satisfactory that our forthcoming catalogue and price list next month will make trade acceptances obligatory within 20 days of date of invoice when dealers do not take cash discount within that period. We have not only been benefited ourselves, but our trade has had a benefit through the use of the acceptance by reason of more careful buying and prompter settlements."

What the acceptance has done for this furniture manufacturer it will do for others and it is for this reason that the association is interested in extending the use of the acceptance and desires to help members over their periods of doubt with reference thereto.

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### **Retail Merchants' Course at University of Illinois**

The University of Illinois has just issued its prospectus covering a short course in business for retail merchants to be given the week of January 30, 1917. The course consists of twenty-four lectures and addresses on practical retail merchandising problems, conducted by members of the Department of Economics and Business Administration of the university and men drawn from business fields. The scope of the course is best set out by the titles of the lectures, a few being as follows: "Figuring Profits," "Retail Buying," "Retail Advertising," "Mail Order Competition," "Managing a Sales Force," "The Community and the Retail Merchant," "Town Improvement," "A Retail Merchant and His Banker," "Credit and Collections in Retail Trade," "Use of Mailing Lists," "The Dollars and Cents Value of Training Clerks." The course is open to merchants without any requirements as to admission and no fees are charged.

### Bankruptcy Law Must Stand

The Board of Trade of San Francisco has gone emphatically on record as opposed to the repeal of the bankruptcy law. In its resolution, it declares that the interstate commerce of the United States has grown to such proportions that it is impossible adequately to deal with commercial failures in various states except through the medium of a uniform bankruptcy statute. It points out that there must come upon the repeal of the national statute a confusion in the settlement of failures amounting almost to chaos since some of the states have not provided themselves with workable state insolvency acts to become operative upon the repeal of the bankruptcy law, and scarcely any of the states have made provision against unjust and outrageous preferences and many of them probably never would, for the legislators of the several states are inclined to make their state statutes favor local creditors by investing them with rights and powers not given to non-resident creditors. Further, the resolution points out that under the bankruptcy law the procurement of preferences by favored creditors on eve of failure has largely fallen into disuse because the law is clear in its prohibition against preferences, is recognized as just and correct, and the courts have applied the rules against preferences with almost unfailing regularity. Further, is pointed the fact that the provisions against preferences are the strongest guarantees of the stability of the present credit system. Again, as regards frauds and perjuries that are sure to be committed in bankruptcy and insolvency cases, the Federal courts are infinitely more competent, by reason of their independence than our state courts, to mete our swift and appropriate punishment to the guilty. Again, false claims, concealment of assets and perjury is followed by an indictment in the Federal court and, conviction and sentence by the Federal judge usually involves more serious consequences to an offender than if he were tried by a State court.

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In its December letter, the Los Angeles association brings out a point regarding the value of the bankruptcy law which strangely enough is often forgotten. It is to the effect that the Board of Trade of Los Angeles administers many an assignment case with such success as would be impossible if the bankruptcy law were repealed, and this in spite of the fact that the bankruptcy law is not invoked in any stage of the case. The question follows how many creditors on receiving an invitation to a creditors' meeting would, in the absence of the bankruptcy statute attend, without first having visited his lawyer and ordered an attachment against the debtor's business. The answer is none which means that the repeal of the law would bring confusion in handling the affairs of an unfortunate debtor in or out of court, and would make necessary the maintenance of a "hair-trigger" credit department by every firm, and a law department by the larger concerns, especially to handle attachments, bills of sale, chattel mortgages, etc. Here are indicated reasons so cogent for the retention of the bankruptcy law as to make the ordinary objections to it seem trivial.

The Wholesale Grocers' Association of South Dakota, at a meeting held in December, adopted unanimously resolutions against the repeal of the bankruptcy law on the grounds that the law brings about the fair and square distribution of the assets in insolvencies and is an important factor in the prevention of commercial frauds as well as being a means of extending relief to an honest but unfortunate debtor.

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In his New Year's greetings to members of the Philadelphia association, President George Masters takes occasion to refer to the comments made recently by Judge Mayer on the subject of bankruptcy, the learned judge, calling attention to the saving of time and money in handling certain large insolvencies by agreement outside of bankruptcy. He said that a large portion of failures involves less than \$5,000, and estates of this size should not be rushed into the courts, but creditors should get together for their own good and get, through friendly co-operation, the full value of the assets remaining. A conviction, gaining ground, says President Masters, is that the proper function of the bankruptcy law is to make possible the investigation of questionable failures and the punishment of violators of good business practices. Undoubtedly, President Masters strikes true the keynote that should prevail in all discussions of the bankruptcy law.

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### **Interchange Bureau at Cleveland Assured**

It is a big piece of work for which President Tonks and Vice-chairman Klippel are entitled to high encomium in that the Cleveland association has reached the point where the Credit Exchange Bureau is a certainty. Unusual opposition had to be faced to bring the bureau to its present position,—not simply the inertia which steps of this sort always meet, but actual opposition. The way President Tonks places before his fellow members the call of the exchange bureau is interesting. To use his own language:

"You see, the credit man has a serious disadvantage in his profession because of the lack of books, inasmuch as credit not being an exact science has not many text books nor an extensive library, but on further thought you realize that most every ledger of current accounts is a book of reference and every active man an authority on some credits. In the big library of your profession, the books of reference are the ledgers of your fellow credit men, and the best books and authorities are in the offices of the concerns which sell your customers. Active membership in this library means that you will be considered one of the best posted men in your profession. Your company's bad debt list depends largely on whether you have established the right to acquire close knowledge from these books and consult these authorities."

### Prosecution Service

Readers of the Bulletin will recall the efforts to get at the bottom of the Lewis Shoe Co. case, Hyman Lewis, bankrupt, having been successful apparently, in putting over a considerable "steal." In May, 1915, writes P. E. Parrott of the Battreall Shoe Co. of St. Joseph, the attorneys representing the creditors reported that they had secured the services of a special adjuster of the Federal Department of Justice, and through his efforts and those of private detectives, they had been successful in exposing the fact of fraudulent concealment of shoes aggregating approximately \$20,000 in value. The shoes were shipped to Evanston and Afton, Wyo., and to Montpelier, Pocatello and Rexberg, Idaho. It soon became evident that the shipments were a part of a far-reaching conspiracy, everything leading to the conclusion that at least fourteen shoe dealers were involved. Now, in December last, the attorney reports that Lewis has been indicted by the Federal Grand Jury for perjury in connection with his evidence before a referee at the examination conducted in behalf of creditors. Lewis quickly followed by pleading guilty to the indictment and was sentenced to two and a half years at the Leavenworth penitentiary. Civil suit, which was commenced on behalf of the trustees against certain other parties involved in Lewis' affairs, is pending in the federal court, trial to be had at the January term. The Utah Association of Credit Men was active in this case.

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Through the efforts of C. D. West of the adjustment bureau of the St. Louis association, Abraham Skuy, a store-keeper at Tulsa, Oklahoma, has been arrested on the charge of perjury and will be held for trial in the January term. Skuy was brought before the referee's court, following the opening of a new store, after a former establishment he had conducted had been declared bankrupt. The creditors set up a claim before the referee that Skuy had held back funds from his first store and had not turned them over to the court's representatives. Arrest followed the testimony of the bankrupt, the warrant setting forth that Skuy had testified falsely.

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The adjustment bureau at St. Louis has also been hot-foot after suspicious failures at Magoffin Co., Ky. It scored a triumph through the federal grand jury returning sixty indictments there on charges of conspiracy to defraud manufacturers and jobbers, for St. Louis business men have been losing \$60,000 to \$80,000 in that county. The mountain districts of Kentucky have always presented serious problems for credit grantors as the Bulletin has frequently pointed out, but the findings which have been made by the St. Louis bureau under the direction of Manager West, are the biggest that have yet been developed and a special session of the federal court has been called to try the cases. The investigation and prosecution committee of the St. Louis association has resolved that the fund at its disposal shall be kept steadily at work.

The board of trade of San Francisco, assisted by the Los Angeles Association of Credit Men, has been examining into the affairs of the Parisian Hat Company of San Francisco and Los Angeles. Isadore Ringel and J. M. Miller, manager of the Los Angeles branch, were arrested after the grand jury had returned indictments, charging them with perjury in bankruptcy proceedings, their testimony before the referee having been found most contradictory. The board of trade endeavored unsuccessfully to get financial assistance from eastern creditors, with a view to determining the causes of failure, and especially of ascertaining what disposition had been made of assets unaccounted for. The case is one of the most complicated that had come before the board in a long time; and while monetary returns to those who contributed to the investigation fund were not to be expected, there will be a sense of satisfaction on the part of contributors that they have done their best to get at the root of a suspicious failure.

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### **Community Council at Rochester**

There is no Commerce Chamber more alert to the possibilities of constructive service than that at Rochester, N. Y. Rochester is at the center of an unusually live and prosperous trade territory, and the chamber there taking advantage of this, has developed a "Community Council" composed of representatives from forty of the larger nearest towns and villages. In most cases, these representatives are heads of their local business men's organizations and come together periodically to discuss matters of mutual interest. Building on this, the chamber held in November its first annual community conference following the example set at several middle-west points. Invitation was by individual announcement, by newspaper advertisement, through the local grocers' organization organ and the salesmen connected with the Rochester jobbers. Nearly two hundred retailers attended. Besides the discussion of questions brought up informally, special talks were made on what constitutes good service, the stopping of leaks, chain store and mail order competition, and making the local store meet the needs of the community. The success which attended this first conference insures its repetition.

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### **National Foreign Trade Conference**

The National Foreign Trade Conference of which Robert H. Patchin is secretary, is to hold its fourth annual convention at Pittsburgh, Wm. Penn Hotel, January 25-27, 1917. The entire session is to be devoted to various phases of foreign trade extension. The council has given space in the program to the subject of foreign credits and has arranged a seminar on the subject to be conducted by the foreign credits committee of the National Association of Credit Men. It is hoped members of the credit men's association who may find it convenient, will attend the sessions of the council, and particularly take advantage of their part of the program, for which C. E. Thomas, chairman, is responsible.



## CENTRAL CHATS



IN entering upon the sixth consecutive year that "Central Chats" have appeared in the Bulletin, the writer wishes to express his appreciation of the friendly reception given to the strong preaching they have from time to time presented.

A question mark may be in the minds of some as to the real place these items are filling in our work.

The thought in them has been of the man, not what he produces, for as the fruit is no better than the tree, the water no better than the spring, so the deeds of a man are no better than the man himself, and what the nation needs is not more money power, more trading abilities, but men.

Some one has aptly said that he who does not live right cannot think right; so is it not after all a practical field of effort to meet the evils, to correct the shortcomings, to construct sound and effective work by beginning at the foundation of things, and by showing men that the best assurance of successful work is through an adherence to high standards and a clearness of thought with a soundness of action that will direct the blows straight at the center and remove the weak spots in our commercial system.

That the year 1917 may be productive, a constructive year, full of happiness and work well done, is our sincere wish for every reader.



HE world's greatest leader, just on the eve of consummating a project that covered the span of an ordinary life, said to his people, "Man shall not live by bread alone."

Over the stretch of the centuries, these words continue to have a fitting place, when the satisfaction of appetites and the striving for the things of today are engaging the attention in such unbounded measure. The life is not in the stomach or in the things that appeal to the stomach, but in the soul, the secret spring of every practice and thought that will stand the test of eternity. So in the mazes of these unusual days and the tendency to adore the things that are here today and gone tomorrow, may we stand steady and repeat to ourselves the truth that will survive so long as there are men to influence that, "Man shall not live by bread alone."

*J. H. Tregoe*

## EDITORIALS

It is an every-day incident, but none the less interesting. They were competitors in a rather restricted field. The old methods of suspicion had never given way to the newer methods of co-operation. Pain and embarrassment characterized their meetings, and hence they were studiously avoided.

One day at a credit men's meeting there came up for discussion the importance of personal acquaintance, of good fellowship in credit granting. One of the two men who are the subjects of this article felt for the first time that this touched him. Soon afterward he found himself riding on the same street car with the competitor. He hailed him in a new spirit, and asked where he was going. To see so and so, regarding his account, was the reply. Here was the chance, and our credit man told his fellow how he had for some time been selling the party in question, but on a guarantee given by a certain party who was a sort of silent partner. He advised all transactions on that basis.

The recipient of this courtesy was of course delighted, and began to look around for a chance to reciprocate. He soon found it, and now these two men are fast business friends. All stiffness and suspicion has been swept away, and instead they are working together to make customers better and more worth while buyers.

This is what the Credit Men's Association has been doing. It is the great solvent of petty hostilities among credit grantors.

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Someone has pointed out that the huge world will make a beaten path to the door of the man who does some one thing well, no matter if that man lives in forest depths.

There could be no better illustration than that afforded by E. B. Moon of Lakeville, Indiana. Mr. Moon has the general store in this little township, comprising three hundred people. The opportunity to show retailing talent here would be thought of as slight, yet Mr. Moon has made himself famous among retail merchants all over the country by the adoption of store methods which have given him a business of over \$60,000 annually.

He has adapted his store to the needs of the community; has made every man, woman and child feel that that store is his, to serve each. He never lets the humblest citizen of that rural community forget Moon's store, and his stock keeping, accounts keeping and purchasing, are all maintained on a well worked out plan. The result is that catalogue houses have no terrors for him, and

his fame has gone abroad. Now he is being sought by business associations and universities to come and tell them the secrets of his success and how he sells over \$200 worth of goods annually on the basis of cash sales to every inhabitant down to the smallest child. He has made unknown Lakeville known, and men who are interested in better retailing are dropping off there to see for themselves.

By doing his work well he has made the need felt, he is supplying those needs; he is creating the taste for good merchandise; he is provoking wants to which he can minister.

Moon has within him the elements of greatness, because he is making small things great, and now he is giving out to the new generation of retailers and country storekeepers the secrets of his success, and is to inspire many to the adoption of sound methods who but for him would probably have followed in the ways pursued by their fathers, and eked out an unheard of existence.

The huge world surely does homage to the man who does a worth-while thing well, and serving the community through a well conducted retail store is a worth-while service.

If one were to ask Mr. Moon the secret of his success, he probably would get the reply that he ran the store, and the store never for a moment ran him, for the weakness of most men lies in the fact that their business determines each day's work instead of each day's work being according to a well-defined plan, conceived in a well ordered mind.

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"It is strange, the kind of men that present themselves to me for employment as credit men, but I am looking for better things in the next years as a result of the class work in credits in our schools and universities. In fact, already I sense better conditions.

"Why, I recently looked over a report upon a large business, prepared by a young graduate of the business department of one of our universities. He started by knowing the company only by name; the result was wonderful. The company had several closely related corporations. Their relationships in this report were closely defined, and what one might do for another in case matters did not go well was explained.

"The various classes of bonds were marked out in such a manner as the credit grantor ought to understand. The company had foreign connections and investments, and the possibilities of international complications were considered as affecting the company's chances of success. The management was analyzed, particularly with the thought in mind of what would be the result in

case of the loss of one or two important men, and how the company was employing strong assistants for each department head and tying them up in interest to the business was considered, and yet there was nothing superfluous; the whole report showed specialized training on big, broad lines, and was quite different from that which would be written by the man who through long years of tedious work had secured his training."

As this credit man (who is being quoted) said—a man who by the way occupies one of the big credit positions in our mercantile field—this case illustrates the place that theory occupies in business affairs, for while the mastery of theory is no guarantee of success in marshalling the elements and details that enter into daily transactions, yet that mastery helps immensely in separating the chaff from the wheat, the essentials from the non-essentials, giving a power of selection of those vital things which should be stressed.

There is, indeed, great hope in what our schools and colleges are doing in instructing in business administration, and every member of this Association should do what he can to encourage progress in this direction in the schools and colleges which preside over his section.

A great teacher once said, "Learning teacheth more in one year than experience in twenty," and while this sentiment may apply in some department of life more than in others, yet most of us are ready to admit that there is a credit science, which can be taught to the advantage of the man ambitious to become a successful credit grantor. The young man who wrote the report described was grounded almost totally by science, scarcely at all by experience.

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A member who has been making a consistent fight against the taking of an unearned discount has been using the Association's card literature on the subject, in which emphasis is laid on the importance of observing trade terms as an evidence of business integrity and good faith. Some of his customers have resented the sending of this card, perhaps on the ground that they do not care to be "preached at," but our member sends copy of a letter received from at least one of his customers who fully appreciates the situation. He apologizes for having sent a check deducting the discount when not entitled thereto, and is a good enough sport to say that he was glad the mistake had been made because he did not mind receiving fair "call-downs." Furthermore, this customer says, "What you are trying to do is in line with our ideas.



We have occasion often to do the same thing and your card is right to the point." Truly there is nothing quite so fine as to be a good sport and take a proper call-down in a manly spirit.

### Comments on Many Topics

The adjustment bureau of the Grand Rapids association has now fully completed its re-organization, and under the direction of its present manager, Walter H. Brooks, who is also secretary of the Grand Rapids Association of Credit Men, is handling cases in a vigorous manner. Members of the Association all over the country should bear in mind the fact that they have at Grand Rapids now the best possible facilities for caring for their insolvency cases.

Attention of the National office is called to one, E. S. Kiley, who is reported as giving checks for C. O. D. purchases, taking care of the first three or four checks promptly, and then for a good sized shipment giving check which, by the time it reaches the bank, is not met on account of insufficient funds. Investigation finds that Kiley has departed to parts unknown. He has been operating in New York and it is thought also perhaps under different names at Cincinnati and Pittsburgh.

It is always good to see those who have thrown themselves enthusiastically into the work of the Credit Men's Association win their laurels in the business field. There are few names better known in the entire Association than that of Freas B. Snyder, formerly president of the Philadelphia association. Mr. Snyder has just been elected a vice-president of the First National Bank of Philadelphia, which institution he has for several years served as cashier. Sincere congratulations to Mr. Snyder.

The New York association held its second monthly conference under the direction of the credit education committee December 19th, the subject for discussion being, "Information; Where to get it and how to use it." The discussion was opened by James H. Perkins, vice-president of the National City Bank, who was followed by several members, who, out of their wide practical experience, gave the younger members much to think of on this important subject.

Conditions on the border have made it difficult for the El Paso association, which was at one time an active member of the credit men's family, to keep together for active service, but that the association is again at its task is called to attention by the El Paso November letter, a copy of which has reached the National office. That the leaders in El Paso work could not be easily downed, has always been known. Every member will be glad to be informed that the National Association has right on the border an active defender of association purposes.

The Greenville (S. C.) Association of Credit Men has just been reorganized under the direction of field representative, B. C. McQuesten of the National Association. Much credit for this result is due to S. A. Moore of the Norwood National Bank, long a member of the association; whom his fellows have elected to the presidency of the reorganization. Large credit is also due to D. C. Durham of Gilreath & Durham Co., who has been elected a director. Greenville is a live town and a growing community, and there is no reason why it should not have one of the liveliest credit men's associations of the south.

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Would the negotiability of a trade acceptance be impaired if it contained the provision that in the event of non-payment the drawee would indemnify the drawer for attorney's fees not to exceed 10 per cent? The answer to this question is determined by the laws of the state where the acceptance is payable. If the state where the acceptance is payable allows the collection of an attorney's fee as set out in the instrument, in the event that the negotiable instrument is not paid when due and is collected through an attorney, such provision would apply in the case of the trade acceptance also.

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The Portland Association of Credit Men through its legislative committee plans an attack on the unreasonable exemption law of Oregon on the ground that the law is no longer a protection to the deserving debtor, but a reliance for the dishonest and fraudulent. Under the Oregon law one is entitled to claim a "city lot" as exempt. It has been decided by the Supreme Court that even if the city lot carries a building worth \$10,000 or more, it is nevertheless exempt. This the association feels is not the honest intent of the law, because it affords an easy refuge for him who would defraud his creditors. There are other states in which this subject calls for earnest attention and vigorous action. Amending the exemption law is surrounded with peculiar difficulties, but they are not insuperable.

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The National Wholesale Dry Goods Association is giving its members a timely warning to watch their insurance in these days when the value of goods is steadily mounting, this being especially important with companies whose policies carry the co-insurance clause, for the basis of adjustment would be the actual cash value of the property at the time of loss or damage not exceeding what it would then cost to replace with property of like kind and value. A merchant might have his goods properly insured under the co-insurance clause on the basis of invoice, but changes in value since purchase, as for instance, an increase in value throws the co-insurance provision out of balance and the merchant finds himself unexpectedly under-insured.

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The Bulletin is indebted to its loyal supporter in Sioux City, H. C. Reed, for the announcement of the completion of its new building by the William Tackaberry Company of Sioux City, Iowa. The building is of concrete construction, equipped with the most

recent devices for manufacture and handling under sanitary conditions of Sultana and Tac-co food products of the company. The business was founded in 1879, and thus has had 46 years of steady growth in which it has built up a splendid good will.

The October Bulletin warned members of the activities of solicitors for certain so-called charities. This notice reminded Secretary Daniel of the Newark association of the activities of a woman in northern New Jersey who had been soliciting for the New Jersey Women's Welfare Exchange and Mothers' Congress. The Congress so far as Secretary Daniel has been able to ascertain, was not held, but a large enough number of coins, apparently, had been sold for \$1 a piece to make the woman's stay profitable.

Governor Joseph A. McCord of the Federal Reserve Bank of Atlanta is advising business men to collect now, while collections are good, that merchants should devote much time to their outstanding accounts while money is in the hands of their customers, because high prices may lead to extravagance. Governor McCord also says, that trade acceptances and bankers' acceptances are coming into more general use. The bankers as well as business men are becoming familiar with these instruments and are recognizing that they have great advantages for both banker and business man.

Secretary Hirshberg of the San Antonio association, writing of the exemption law of Texas, calls attention to a palpable error made by those who framed the act. The present law exempts wearing apparel in listing the property of persons not constituents of a family, but in listing the exemptions of a family, wearing apparel was not included among the exemptions. The result is apparently that a single man is entitled to claim his wearing apparel as exempt, but a married man apparently is supposed to go naked. The situation worked out, however, to the advantage of creditors in a case where a married man tried recently to claim expensive jewelry as wearing apparel beyond the reach of the court, for the referee at *Corpus Christi* denied the bankrupt's right to continue to ornament his cravat with a \$7,000 diamond "headlight."

Of interest to business men generally is the information which comes from R. Preston Shealey of Washington, D. C., regarding the official ruling of the Post-Office department upon the use of the word "credit" on envelopes entering the mails. The ruling is as follows:

"The department does not regard as unmailable envelopes bearing return card of collection agencies, the business title of which shows the word 'Collection,' (or Credit), when the card is printed in letters that do not exceed in size, or differ in style of display from those of the card printed by the government on stamped envelopes.

"The department regards as unmailable envelopes bearing the card of an individual or business concern which bears in addition to the name of the individual or concern the word 'Collection

Department,' 'Collections,' 'Credit Department,' 'Credit,' or similar words used as descriptive words to indicate the nature of the correspondence, to expose the debtor and to coerce payment by humiliating and injurious reflections."

### **New York Association Sustains a Great Loss**

The New York Credit Men's Association sustained an irreparable loss last month in the death of W. M. Wust of the Peierls, Buhler & Co., who not only was a director of that association but the chairman of the Investigation and Prosecution Committee, for which service Mr. Wust was particularly well adapted. Mr. Wust had marked ability in distinguishing between that which the layman considers good evidence for the prosecution of fraud, and that which the court recognizes, a difference, by the way, which some laymen seem never able to grasp. He was undoubtedly one of the most successful credit grantors in the greater city; had worked his way through unaided efforts to a prominent position in business New York. It is indeed a matter of the sincerest regret that Mr. Wust has been removed from the credit association activities when apparently he had become best fitted to be of service. It is a loss which President Koelsch and his fellow officers feel keenly.

**T**HE National Association of Credit Men desires to bring together the names of concerns which have adopted the "trade acceptance" for all or a part of their accounts. The National office is constantly receiving letters from members who have successfully applied the acceptance but their names reach the office only incidentally, which leads to the conclusion that there are many other concerns which have not written the office of their successful adoption of the new system. Will they not make themselves known?

Write the

**NATIONAL ASSOCIATION OF CREDIT MEN**

## WHY COMPULSION?

### From Portland Weekly Letter

#### Why Not Cooperate?

Why should it be necessary, or why is it necessary, to compel men to act in their own interests. We base these few remarks on the premise that it is necessary to compel men to adopt a course which is best for them in many instances. We might name dozens of instances, but two or three are sufficient. Creditors are compelled to take united and uniform action in filing claims in bankruptcy, or as an alternative be barred; in bankruptcy the majority will compel the minority to adopt a composition; in probate all creditors are compelled to verify their claims and follow a uniform practice, and so on.

Our whole social fabric—our entire judicial system, and our very civilization, depends for existence upon some form or degree of co-operation among men; therefore our codes of laws are so framed to compel some degree or form of co-operation in numberless instances. There is no denying the necessity for this; there is no one to dispute the righteousness of it.

Is it then not strange that it should be necessary to compel men to co-operate? Why not co-operate without compulsion? Why do we all insist that we must be compelled to do what is best for us?

It is marvelous indeed that anyone could be in such a frame of mind that when the adjustment of the affairs of an insolvent debtor can be carried out through the friendly ministrations of an adjustment bureau, he would refuse to consent and should insist upon some course resulting in loss and eventually in compulsory co-operation of some sort.

If the few who do adopt this antagonistic attitude toward complete co-operation could only see themselves—if they could only realize how ridiculous their position and how absurd their argument, they would immediately seek the best means of cultivating the acquaintance of other credit men and promoting the most complete co-operation.

Recently an adjustment was being successfully carried out by our Adjustment Bureau in this city, the case involved several thousand dollars, and some two dozen creditors. It was progressing very satisfactorily indeed, when one creditor with a small claim telephoned the office that he would not consent to the assignment, but would have his pay in full or force the debtor through bankruptcy. This creditor stands alone in his position, therefore it is impossible for him to precipitate bankruptcy, it is impossible for him to obtain his money in full; the only result of his action will be to create a resultant trust in the debtor for his benefit to the extent of his dividend, and puts this creditor in the position of holding himself up to the world as one who does not understand his business, one who is acting without cause or provocation, has no motive unless it be evil, is gaining nothing for himself except reproach.

Let us then, by every means possible, hasten the day when all credit men will co-operate voluntarily and without compulsion.



## **\*CREDIT INTERCHANGE BUREAU TO CHECK UNWARRANTED EXPANSION AND PREVENT COMMERCIAL FAILURES**

### **What Credit Men Are Doing to Combat the Evil of Bad Debt Waste**

W. F. H. KOELSCH

President New York Credit Men's Association and Vice-President the Bank of United States

One of the most important problems of the present time with which business and banking interests are mutually concerned is the elimination of our shameful bad debt waste and the establishment of more scientific and enlightened methods of exchanging credit information. When credit men were unorganized they but scratched the surface, as it were, of a large field and raised a small yield. As organized in our time the credit man plows deep and raises a large yield. Prior to the advent of the Credit Men's Associations and when the principle of co-operation was regarded largely as a theory, the credit man may be said to have operated "extensively." Since the organization of the National Association of Credit Men, only twenty-one years ago, the professional standing of the credit man has gained full recognition in the mercantile and banking life of the country. As a national organization with a combined membership of over 21,000, with active local associations firmly established in our principal cities, the influence and power for good of this organization stamps it as perhaps the most useful and potent civic body in the United States.

The New York Credit Men's Association, representing as it does the largest single unit in the National Association (with a membership of 1,600) and conducted by an executive committee, supported by nine standing committees, may be truly said to have taken a leading place in the manifold activities of an organization, having for its purpose the betterment of credit conditions—a field both fertile and far-reaching in the broader business and financial growth of the country.

#### **Combating the Bad Debt Waste**

One of the primary purposes of organized effort among credit men is to combat and check the evil and wastefulness due to bad debts. This problem is being attacked from several angles and our activities are mainly concentrated on the following lines:

- Prosecution of fraudulent debtors**
- Adjustment of insolvent estates**
- Operation of a credit interchange bureau**
- Promotion of education**

According to the Bradstreet record, failures in the United

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\* Trust Companies Magazine.

States during the past thirty years, in round numbers, were attributable to the following causes:

- 30 per cent failed due to incompetence or lack of capacity.
- 30 per cent due to insufficient capital.
- 20 per cent of failures due to no fault of their own.
- 6 per cent chargeable to fraud.
- 14 per cent due to sundry reasons.

While it is generally conceded that the expense of handling insolvent estates is much too large and while the National Association of Credit Men—the nestor of the Bankruptcy Act—is taking all possible steps to remedy this condition, we are nevertheless aiming to demonstrate to our members that they are, in a measure, responsible for this state of affairs.

### **Only Two Kinds of Failures—Honest and Dishonest**

We contend that there are but two kinds of failures as demonstrated by experience and analysis, namely—honest and dishonest failures. To be sure, under the former classification there are a number of causes. However, in every case of commercial embarrassment there is either an element of fraud or there is no evidence of dishonesty. It has been frequently asserted that if we can drive out a few dishonest lawyers, and put several auctioneers out of business, conditions in this respect will show a material improvement. We have a Prosecuting Committee at whose hands these matters are receiving attention with gratifying results. With increasing co-operation on the part of members, and the continued support accorded to this energetic and highly efficient committee by the public officials, charged with enforcing the criminal law and by the judges, we can assert that there will be a substantial decrease in the number of commercial highwaymen.

### **Why Co-operation Between Debtor and Creditors is Needed**

It appears to be a fact that on the whole the percentage of fraudulent failures is really small. It is the opinion of close students of this situation that there would be still less failures tainted with fraud, if the debtor and his creditors could be brought together at the first sign of embarrassment. It is at this point that many credit men fail to perform their part toward reducing the bad debt waste. If the embarrassed debtor is asked to meet his creditors for a heart to heart talk and responds, it is most likely that he has nothing to conceal, and if the creditors will act in unison an adjustment can be made, either in the form of a settlement or by liquidation; in either case under the auspices of the credit men interested.

If the debtor has not dealt fairly with those who extended him credit, then it becomes a case for prosecution. If he comes with clean hands, then his case is one for adjustment. The credit men interested, by reason of their training, can best judge as to which course to pursue, and up to this point there is no need for the assistance of the legal advisors. Under such auspices the de-

serving debtor may confidently expect a fair deal. But until the members of the association are sufficiently aroused to the necessity of acting promptly in matters of this kind, they are neglecting a duty and are themselves responsible for the consequences that follow when the crash comes.

The adjustment bureau plan is by no means an experiment and has been operated with marked success by a number of the local Credit Men's Associations. The opinion seems to prevail that bankruptcy is necessary and to be preferred when there is a suspicion of fraud, but the adjustment bureau operates with less expense and pays larger dividends to creditors. The Los Angeles Association of Credit Men operates its bureau in conjunction with the Board of Trade and its experience is reflected in the following results:

#### IN BANKRUPTCY

- 65 per cent of net cash goes to creditors;
- 35 per cent of net cash goes for expenses and fees.

#### ASSIGNMENTS TO BUREAUS

- 87 per cent to 90 per cent available cash goes to creditors;
- 10 per cent to 13 per cent goes for expenses.

To keep men out of the bankruptcy court is the fundamental aim of the adjustment feature of the Credit Men's Association. It serves no worthy purpose to complain of the large expense occasioned by adjudication in bankruptcy. If the credit men interested will deal fairly among themselves; be just to the debtor if he is worthy; and avail themselves of the means of adjustment under this plan proposed by the association, the results that will follow are certain to be a revelation to credit men. It is for the purpose of bringing this most important feature of our work to a point where the opportunities offered by the association will be availed of, that a special committee has been at work for some time. Its efforts should be, and I am confident will be, continued until the men who make credits also fulfil their full duty—conserve them.

#### Credit Interchange and Adjustment Bureau

Credits are granted in these modern times by scientific methods and that means work and diligent effort. It is not a guessing game. It is the duty of the credit man, worthy of his calling, to use all the sources of information possible. It is a truism that the man who never makes any losses never does any business—that is never really extends credit. Credit being the life-blood of trade its necessity is obvious. The Federal Trade Commission has reached the conclusion that only 10 per cent of the manufacturers know the cost of doing business.

We are on the high road to routing the dishonest debtor and a more economical solution of commercial failures will result from the operation of an adjustment bureau. Those phases deal with

the conservation of assets. Now we approach another quite as important phase of the problem. It is to prevent losses as far as possible, and to stop the incompetent and incapable debtor before he can lose more money—the creditor's money. The Interchange Bureau can in no sense be regarded as a competitor of mercantile agencies or of trade associations conducting bureaus. Its object is to supplement other channels of information, by an exchange of actual ledger experience, thus enhancing the value of a credit investigation. This work has been assigned to a committee and it is intended to group the various trades under fifteen classifications. The bureau will be available to members and the fees paid by those using it will make it self-supporting. It will establish reciprocal relations with similar bureaus conducted by other affiliated associations throughout the United States. The National Association contemplates in time establishing a central bureau through which the many local bureaus will clear reports. The possibilities of this work, when New York has established its bureau, should arouse the interest of every grantor of credit in the United States. The value of such a service is self evident.

#### **How the Credit Interchange Plan is Operated**

Under this plan, which has been worked out after careful study, no subscriber may ask for a report unless the subject is a customer or has applied for credit. When an inquiry is made slips are sent to every other member calling for the desired information, and when compiled each member who gave information receives a copy of the composite report gratis, and the member who made the inquiry is charged with one report under his contract. A completed report will give the experience of each subscriber without revealing the names of the informants. The essential information will indicate the amount of unfilled orders, highest credit during year, amount owing, how secured if not on open credit, amount past due; and manner of payment.

The operation of the interchange bureau, when perfected, will supply information of great value and there seems to be little doubt but that it will do much to prevent unwarranted over-extension of credit, with the result that many losses will be avoided or in any event curtailed. Doubtless in many instances it will also be a service to the debtor whose overbuying will be checked before he is engulfed.

#### **Need of Education Among Credit Men**

It is the purpose of the New York Credit Men's Association to practice efficiency, and it can, through this highly organized agency, render a service of great value to its large and influential membership. All that is needed to accomplish these results is actual co-operation and for the members to avail themselves of the machinery placed at their disposal. Our association also values highly the need of education among credit men. With this end in view a series of "open meetings" is being conducted under the auspices of a commit-

tee. For several seasons an elementary class on credits has been conducted by the committee at the Y. M. C. A. Beginning in January, in conjunction with the School of Commerce of the New York University, the committee will conduct a special class on credits and collections.

### **Federal Reserve Board Says Trade Acceptance Is Gradually Coming into More General Use**

The January Bulletin of the Federal Reserve Board presents a summary of the observations of a committee of the Federal Reserve Banks as to the progress which has been made in the promotion of the use of the trade acceptance. That growing number in the association which is interested in the trade acceptance development will find the report of the committee interesting: It is in full as follows:

"This committee, which made a report to the last conference of Federal Reserve Agents, has endeavored to keep in touch with the progress these acceptances have made since that time with a view to bringing in this additional report, which is now submitted.

"Your committee believes that there has been a gradually increased use of trade acceptances, but that the movement is not gaining strength in proportion to the opportunities and influence of the Federal Reserve System. While considerable satisfactory work of development and education has been seen in various parts of the country, the efforts so far appear to be scattered and without co-operation, especially among the Federal Reserve banks. Since the trade acceptance plan is acknowledged to be scientific and preferable to the book account system, and since the Federal Reserve Board has recognized and given the system authority and standing among the Federal Reserve banks, there should be no reluctance on the part of any Federal Reserve bank to push the movement with vigor and persistence. It is the belief of the committee that development of the trade acceptance plan should be part of any general publicity scheme, if such action should be taken by the conference and approved by the Board.

"The committee is of the opinion that the best results now can be obtained through trade organizations, trade papers, chambers of commerce, credit men, etc. Particularly is it desirable to get a number of users of acceptances in a single trade or industry, as others are encouraged to their use if it be noticed that their competitors have adopted the plan. One of the principal arguments for delay by many concerns who are interested and convinced is the fact that their competitors continue the book account plan, and they cannot afford to risk alone the innovation and changed methods.

"The committee also wishes to point out the desirability of having concerns who are obtaining trade acceptances in settlement of their own purchases. We are advised that a number of companies have a printed form of trade acceptance drawn on themselves which



they send to the concerns from whom they purchase, requesting that drafts on them accompany all invoices sent.

"The committee has a list of seventy companies who are using trade acceptances with satisfaction. These users of trade acceptances represent forty different kinds of businesses and are located in eighteen States. The largest number of users are dealers in cotton, cotton goods, and cotton mills. The lumber business seems to rank next to the cotton business in the number of concerns using acceptances. While the acceptance plan seems to find a readier reception among concerns of smaller capital, the list is not without a number of names of high rated companies. The information in respect to the number of companies using trade acceptances and the above analysis thereof is based on very incomplete data obtained by inquiry from the Federal Reserve banks, and in our opinion the list of companies referred to represents only a small proportion of the concerns that have made a beginning in substituting the trade acceptance for the open account.

"We recommend that each Federal Reserve bank secure standard forms of trade acceptance and supply these to their member banks, accompanied by a circular explaining the advantages, with all essential details."

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The opening of the new Citizens' Bank of Rochester is interesting to the general membership because of the connection therewith of George G. Ford, who is to be an active member of the official staff as one of the vice-presidents. The bank starts under the best of auspices with a strong board of directors, and on the first day, the five tellers had all they could do to take in the deposits which were being offered. Everybody will wish Mr. Ford in his new undertaking every success.

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Henry H. Knapp has just resigned from the office of president of the Worcester Association of Credit Men, his business calling him to Laconia, N. H., where he is associated with the Laconia Car Co. Mr. Knapp has made an ideal president of one of the liveliest and most enthusiastic associations in the National body, and he will be missed by his fellows in Worcester. His place, however, is to be well filled through the election of C. D. Mixer of the Wright Wire Co., who is to fill out the balance of the year. Mr. Mixer is a man thoroughly tried in credit work, and there is no doubt as to his ability to continue the building-up of the Worcester association.

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**The National Office will appreciate receiving from members willing to spare them copies of the May, 1916 Bulletin. Send them to 41 Park Row, New York, and they will be gratefully acknowledged.**

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**Members of the Association having communications from P. A. Literas, Bazar Yankins, Buenos Aires, Argentine, are asked to get in touch with the National office.**

### Associations Showing Largest Net Gain During December

Association	Net Gain	Number of Times Ass'n has been on Honor Roll	Membership as of Jan. 1.	Membership Figures Asked by Committee by June 1, 1917.
Detroit Association of Credit Men,	25	0	479	594
Chicago Association of Credit Men,	20	3	1461	1754
Indianapolis Association of Credit Men,	10	2	220	265
Des Moines Credit Men's Association	9	2	135	136
Atlanta Association of Credit Men,	8	0	190	245
Central W. Va. Association of Credit Men,	8	0	73	78
Baltimore Association of Credit Men	7	3	553	705
Kalamazoo Association of Credit Men,	5	0	26	
St. Louis Association of Credit Men,	4	0	725	915

### Association Notes

#### Boston

Warning against over-expansion in business because it makes it easy for unreliable concerns to obtain credit was sounded at the meeting of the Boston association December 13 by David H. G. Penny, vice-president of the Irving National Bank of New York, whose address was on "foreign exchange." Mr. Penny said that the prospect for early peace adds importance to the dollar exchange question. He expressed the belief that while it is not probable that the dollar will become the standard of exchange, the manner in which foreign business is conducted by United States merchants and bankers will have an important bearing on the re-adjustment of foreign exchange.

Another speaker was Alexander Whiteside whose subject was the new income tax law of Massachusetts. As one of the framers of this act, he predicted that it would tend to make more equitable the tax levy of Massachusetts taxpayers, and would give the state a greater income than in past years. The new law, he declared, will prevent much of the fraud exercised in the past in making tax returns.

#### Buffalo

Wallace E. Rice of the credit department of the Western Electric Company of New York was a speaker at the meeting of the Buffalo association on December 21st. He urged a closer relationship between credit managers and salesmen. Another speaker was Samuel B. Botsford of Buffalo who gave a resume of the benefits to be obtained from standardization of articles of trade, and predicted that within a few years this standardization, already started, would embrace all commodities.

#### Chicago

Following the precedent established two years ago, the Chicago association devoted its December meeting to a general jollification, under the style, "Good Fellowship Night." There were 620 members

present—the best attended meeting the Chicago association ever had. The edge was put upon appetites by the appearance of a huge roast, stuffed turkey and a whole roast pig, borne aloft on great trenchers and paraded up and down the room as samples of what was coming.

A delightful address was made by Prof. John A. Scott of Northwestern University, who took for his subject, "Old Wine in Old Bottles." The most interesting part of the address was the reading of a letter supposed to have been written by a citizen of Thebes in Greece about 800 B.C. to a brother who had squandered his inheritance. It contained an appeal for help and advice. Some of the gems from this remarkable document are worth reproducing:

"He is a wise man who can think for himself; wise also he who can take the advice of others.

"Draw from the bottom or the top of the cask and spare the middle.

"In making a trade, let the price be carefully stated.

"Too much credit and no credit at all alike bring ruin.

"See that you have two plows, so if one breaks you can use the other.

"No good future awaits a man who wastes his time loafing in the blacksmith shop.

"If you would succeed, rise early in the morning. Dawn carries a man well on his way.

"Praise a little ship, but put your cargo in a big one—don't risk all that you have in any one boat.

"Don't make any man too close a friend, but if you have made one, stick to him.

"Nothing is so precious as a guarded tongue. If you speak evil of someone today, you will hear evil of yourself tomorrow. No scandal ever really dies when it has once been spoken.

"Happiness is not in government or externals, but in ourselves. Men have been happy under all forms of government and men have been miserable under all forms of government."

Another speaker was Jack Lait, of the Chicago Herald, who spoke upon "Crooks as they really are." He declared that the pickpockets of Chicago have an organization whose ramifications are wide and where influence is so strong as to afford a high degree of protection to the pickpocket if caught, virtually such as to prevent the possibility of his conviction. The central organization thereof, he said, has headquarters in a well known office building in Chicago, the running expenses of which, as well as a sinking fund for fighting the law, being provided by a regular tax paid by the pickpocket class, consisting of a certain percentage of each haul. According to Mr. Lait, this fund is known among the profession as "fall-dough."

Mr. Lait claimed the pickpocket is a highly organized, scientific person, who does not go at his business in a haphazard way, does not pick victims offhand, and does not look for money where it does not exist. Their favorite places of operation are crowded streets, department stores, street cars, there being perhaps eight hundred of this class in Chicago alone. Further, he never works alone, but always in a group of at least three and usually four and often six, for a good pickpocketing job nets a profitable night's work for six men.

A pickpocket works on a basis of pathology and psychology, he declared. Perhaps, one of the pickpockets steps on a victim's toes on alighting from a car and immediately offers profuse apologies, and then while the victim's physical sensations are centered in his toe and his mind occupied with replying to the apology, the confederate carefully removes his wallet from his pocket, passing it to another accomplice, who passes through the car and alights from the front platform at the next stop, so that even if the actual pickpocket is stopped and searched, nothing will be found on him. The only way, he said, to meet the situation, would be through organization, such as has been developed by bankers and jewelers who through their organizations have greatly reduced the number of robberies. Mr. Lait concluded by telling of his experience with "Canada Kid," whom he befriended and

helped to reform. He also told of the world's famous crook named, Adam Worth, whose operations covered three continents and who is said to have stolen altogether \$3,500,000,—the greatest crook that ever lived. This Adam Worth, shortly after the recovery of the famous "Duchess of Devonshire" painting which he had stolen and which he was forced to give up, said when old and broken in health and close to death as he looked back over his career of crime:

"Crime is a vice which seems to grow in the one who has yielded to it. Honesty is a natural impulse which the majority of men always have, always will have and always will need. Therefore, I have come to the conclusion that the man who attempts to live by crime is a man who is fighting Nature. Nature cannot be successfully fought, and here I am at the age of sixty-two, with three and a half million dollars behind me, most of it stolen from me by others after I myself had stolen it from its owners—an old broken-down man who has had to come here and surrender a beautiful painting that I would like to have been able to take home and hang in my dining room, as a man could do if he had come by it honestly. But I could never do that with it. There is something about taking things dishonestly that doesn't seem to meet with the approval of the people you take them from. It took me a whole life time to find that out. I used to think that things belonged to me simply because I was able to take them, but I have found out now that I made a great mistake."

#### Dallas

At the meeting of the Dallas Association of Credit Men held December 14th, members of the state legislature discussed with members of the association, bills which it is proposed to advance at the next session, namely, "The Model False Statement Law," a new "Landlord's Lien Law" and a "Fictitious Name Law." Representing the Senate was J. C. McNealus, and representing the lower house, C. O. Laney, James A. Florer and Barry Miller.

#### Detroit

The Detroit association devoted its meeting of December 26th, to the consideration of the problems of the retailer. Richard H. Webber of the J. L. Hudson Co. spoke on "Merchandizing and store service;" "Accounts and collections in retail work" was treated by C. A. Guilford; "Retail budget systems," by Alonzo P. Ewing, of the Highland Park State Bank, and "Cash discounts from the point of view of the man who takes them," by W. C. White, of the Ford Motor Co.

#### Fort Worth

The Fort Worth association held its December meeting, with the leading retailers of the city as its guests. H. R. Elbert, chairman of the legislative committee, discussed the legislation which had been passed in the state through the efforts of credit men, and the measures that the associations have under consideration. He pointed out how the bills benefited the retailers just as surely as the jobbers because their sole purpose was in every instance to make it more difficult for a fraudulently inclined retailer to do wrong and easier for him to do right. Another speaker was George R. Clayton, whose subject was the sale of merchandise that has increased in value materially since purchase. Problems arising out of the high cost of living as affecting the retailer came in for much discussion.

#### Los Angeles

The Los Angeles association held its "Xmas High Jinks," December 19th, at the Alexandria Hotel. The speaker of the evening was Edward F. Trefz, formerly of Chicago, and now the assistant secretary of the Los Angeles Chamber of Commerce. He spoke on keeping up the credit of a city.

### Louisville

The Louisville association, at its December 28th meeting, had a practical discussion on the subject, "What shall I do with this order?" there having been placed before the members a hypothetical case.

The association went on record as favoring the calling of an extra session of the assembly for the purpose of considering the report of the state tax commissioner, the general expression of the meeting being that it would be a mistake to postpone consideration of the proposed new revenue laws, and that the report of the tax commissioner was the subject of such large importance as to call for the entire time of a special legislative session.

### Minneapolis

Harry Titcomb, an adjuster of fire losses in behalf of the assured, spoke on his work at the meeting of the Minneapolis association in December. He explained that the Minnesota fire policy is considerably shorter than the New York policy and applied also in three other states. He pointed out the necessity of insurants being fully covered to meet the various requirements of the policy form. He cited court decisions, especially one recently handed down, to the effect that it is not necessary for the merchant who has suffered a loss to keep his goods intact until the loss had been ascertained provided he file notice of his intention to resume business within a stated time.

George Peterson, secretary of the Minnesota Retail Grocers' and General Merchants' Association, outlined the work of his organization, particularly the legislation it had materially assisted in passing. He emphasized the garnishment law and the transient merchants law. Mr. Peterson asked for the continuance of that spirit of good feeling between his association and the Minneapolis Association of Credit Men, which now seems to be so firmly established.

Another speaker was Axel Ekelund, president of the Minneapolis Retail Grocers' Association, who discussed the work his association is endeavoring to do, especially in connection with the great rise in prices of all food products, which had made necessary the use of considerable more capital in the retail business. He told how meetings had been held in various sections of the city, when agreements were entered into, to limit the credit of customers to two weeks instead of a month,—a step which it was felt could easily be taken, because in nearly every line, wages and salaries are paid on a weekly or semi-monthly basis. Also in these meetings, he said, members had been urged to raise prices to meet the general level of increased wholesale prices. Mr. Ekelund declared that the wholesale houses should advise retailers as far in advance as possible of price increases so that the retailer might have all the time possible to prepare for the increases.

J. T. Williams, formerly a retailer but now in the wholesale line, declared that wholesalers are placing too much emphasis on sales and not enough on credits,—that merchants are all the time thinking of the selling end of their business and directing little attention to the credit end.

### Omaha

E. B. Moran, field representative of the National Association, was one of the speakers at the meeting of the Omaha association on December 14th. He set forth the ideals of the association for the improvement of business conditions. His talk was enthusiastically received. Another speaker was Ralph A. Van Orsdel, member of the Omaha bar, whose subject was, "False Statements," and the "Nebraska Bad Check Law." Mr. Van Orsdel recommended that in any attempt to have the false statement law passed in Nebraska, there be a provision similar to that contained in the bad check law, to the end, that if the statement be proved to have been false, its delivery to the recipient should be regarded as evidence of the intent to defraud, thus throwing the onus of proof on the party giving the false statement. It was voted that the legislative committee in cooperation with the

sister committees of other organizations take up vigorously the passage of the false statement law at the next legislative session.

### Pittsburgh

Rabbi J. Leonard Levy was the speaker at the luncheon of the Pittsburgh association, December 21st, his subject being the "High cost of living and where the fault lies." Mr. Levy said the fault is not with the numerous middle men, but with the people, for "we demand a vastly higher standard of living each year and forget that we have to pay for it." The country, he said, is full of luxury loving men and ease loving women who telephone their meat and grocery orders and then want Congress to act regarding high food prices, forgetting that all the trouble rests on their laziness and improvidence.

The Pittsburgh association held its annual 'gridiron' the noon of December 28th and it was the best yet in point of attendance and the stunts that were "put over." No one's feelings were spared and some of the poorest credit ratings were given out, all the prominent members from the president down having their alleged records bared.

G. J. G. Anderson was presumed to be chairman, but the meeting was run by the one who at the moment was best able to hold the crowd down. In the midst of the fun, a dozen members resigned, and the resignations were accepted with startling promptness by Major Samuel Hubley, who was ready for whatever might happen. The one serious thing of the meeting was "My Creed," composed by W. A. Given and presented by Col. James E. Porter, as follow:

I believe the best there is in us is none too good for our work, be it that of digging a ditch or busting up a bad practice such as stealing unearned discounts.

Forget yesterday, do not think of tomorrow—get the cash in advance today.

When I feel like finding fault I always begin with myself and then I never get any further.

I believe that nine-tenths of success is in being ready when your chance comes: mine's coming in Kansas City next June.

I believe that self denial is the foundation of self control—that's why I'm a vegetarian.

The salesman who is blind to the office end, believing in red tape, causes me more worry than my money.

I believe good credit follows receipted bills—good collecting follows good digestion.

Money makes the mare go and keeps her well shod—that's why I got an automobile.

Don't let even seemingly good excuses or reasons prevent your attending the Kansas City convention because I am going to deliver a talk on "The Productive Credit Man."

To start things coming your way go after them; that's why I am going to the Kansas City convention.

I believe credit is at the disposal of every man but they must show me.

The night brings counsel; that's when I turn down my orders. It is safer to give opinion than advice.

### Portland

At the December meeting of the Portland Association, Prof. Sidney McAuslan brought out the necessity of more extensive field work on the part of credit men, citing his experience in connection with the School of Commerce of the University of Oregon to support his contention. He showed what the school is doing for business men, both retailers and wholesalers, a work similar to that done by the agricultural department for



those engaged in farming. In his work in various parts of the state, Prof. McAuslan had observed that the greatest need of all among retailers is education as to what are proper business methods. Now the retailers are dependent upon the wholesale trade for this education and the difference in the views of various wholesale credit men leads often to great confusion. As an illustration, he cited the case of a man who with his wife went to Chicago to buy a stock of millinery. They had a capital of \$500 and consulted a credit man as to how much stock they could buy. The credit man informed them that they could have a stock amounting to \$1,000. Another house was visited to get ideas and it told them that with that much capital they could buy \$250 in stock, retaining \$250 as working capital. Being conservatively inclined, the merchant and his wife followed the advice of the latter, and in a few years became very successful, and are now owners of a large and prosperous business.

If, Prof. McAuslan said, credit men would do more field work, they would be better able to advise and educate retailers in order to avoid enormous losses. The mail order houses, he said, do not make the real menace to business, but it is rather the ignorance of the merchant who does not know the cost of doing business, and through ignorance and incompetence faces commercial death almost as soon as he opens his store.

The traveling credit man is bound to become a big factor in business, he declared, for he is able to co-operate with the sales force effectively, exploiting new territory, preventing commercial failures, and detecting inclination to commercial fraud.

A resolution was adopted calling for combined effort on the part of the business interests of Portland for the detection and punishment of fraud. An agreement was circulated and largely signed in which it was stipulated that those endorsing it would not participate in, nor approve any compromise, composition or settlement of any business failure which contemplated payment of less than 100 cents on the dollar, until after investigation by a committee of creditors, who are able to report that they believe the case free from taint or suspicion of fraud. Further the agreement provided that if the committee reported a case as suspicious, nothing would be done to hinder the investigation and prosecution for fraud but every encouragement given those responsible for its conduct.

### Rochester

The Rochester association introduced an innovation when it held its December meeting at the noon hour. Judging from the large attendance, the change was appreciated and the officers plan future meetings in connection with luncheon instead of dinner. President Reidenbach announced the program of a course in credits intended to attract particularly the younger aspirants in credit work. He said that there were already over thirty entered for this series. The chairman of the committee on credit education and management, A. Grainger, followed, setting out in more detail the plans of the course, and asking for the general support of the members.

Matters pertaining to the Central New York Credit Interchange Bureau were then taken up, Ira D. Kingsbury and H. B. Buell, manager of the bureau, being the principal speakers.

### Saginaw-Bay City

Members of the Saginaw-Bay City association at a meeting on December 19th discussed the formation of a Credit Exchange Bureau, it being announced that fifty members had already indicated their desire to enter into this service under the direction of the association. One of the principal features of the meeting was the discussion of an interesting credit problem under a credit education class conducted by E. H. Fisk of Bay City, who proposed the case of an imaginary firm asking a certain amount of credit. C. J. Pellott appeared as the salesman requesting the credit and S. E. Symonds as the credit man, who advanced the reasons why credit should not be allowed.

### St. Paul

Speakers at a meeting of the St. Paul association, held December 12th, were Mayor V. R. Irvin, Dr. George E. Vincent of the University of Minnesota, and H. K. Huntoon. Mayor Irvin urged the necessity of good fellowship in business, as fundamental to permanent cooperation. He asked the support of all members for the plans now under way to give St. Paul an efficient administration.

Dr. Vincent outlined the business course being given at the University, and expressed the hope that the legislature would give a sufficient apportionment to enable the planning of more comprehensive business course than had hitherto been given. Dr. Vincent's main address centered upon the human side of business, which he aptly illustrated by the story of Robert Owens, a Welchman, born on the coast of Wales, who in the latter part of the eighteen century established a remarkable business at New Lanark, Scotland, based upon the thought that employees are more co-workers than employees and should be treated on the highest interpretation of the Golden Rule.

### Toledo

The meeting of the Toledo association, held December 20th, took the form of a Christmas party. There were about 175 members and guests present. The banquet room was arranged with a large Christmas tree in the center. The principal speaker was W. H. Couzens, formerly a partner of Henry Ford, now retired from active business, but serving his fellows as police commissioner of Detroit. Mr. Couzens said that when an insignificant woman comes before him looking for her lost child, he immediately sees to it that 1,160 policemen concentrate their efforts to find the wanderer. That, he said, is the message, in all its broad significance, he wanted to bring to credit men.

Another speaker was Hon. Chas. M. Milroy, mayor of Toledo, whose subject was "Municipal Credits." President Irving Macomber, of the Commerce Club, told of the changes for the better which had come over Toledo, in the form of constructive movements fostered and public betterments supported generously by popular subscription. Citizens, he said, are also beginning to feel a degree of responsibility for the community as a whole. Another speaker was F. K. Doehler, treasurer of the Willys-Overland Company. A brief address was also made by Vice-president Shepherd of the Ohio Bank and Judge Byron Ritchie.

During intermissions and in introducing the speakers, President Charles R. Clapp of the association, who acted as toastmaster, kept the guests stirred up with numerous stories and Joe Murphy's "quire" sang ditties in which the various speakers were gridironed. The climax came when Santa Claus appeared and distributed to each member and guest a present, being in the form of souvenirs donated by various members.

### Washington

President Charles D. Joyce, and Congressman Michael F. Phelan were the speakers of the annual meeting of the Washington Association of Credit Men, held December 14th.

Mr. Joyce reviewed some of the achievements of the National Association in which its members should take, as he believed, special pride,—notably in support of the Federal Reserve Act, the Association having been credited with being one of the main forces in securing favorable action for better financial legislation, and hardly less important the Bankruptcy Law which the Association was instrumental in having put upon the statute books, in having amended from time to time and in steadily improving its administration in the various judicial districts.

Congressman Phelan's subject was rural credits.

President Arthur P. May, in his annual report, expressed the feeling that the year had been the most successful enjoyed by the organization, and outlined plans for the establishment at Washington of an adjustment bureau.

The election of officers resulted in the choice of the retiring officers.

## MISSING

The parties whose names appear in this list are reported missing. Any information regarding their whereabouts should be sent to the National office.

Andrews, J. S., formerly an architect of Miami, Fla.  
 Bernstein Brothers, formerly at 1045 East 105th St., Cleveland, firm being composed of Louis Abraham and A. M. Bernstein.  
 Burr, Eugene, formerly in agricultural business at Fallbrook, San Diego Co., Cal.  
 Burroughs, A. J., in business at Portland, Ore., with other parties under style, "Commercial Supply Co., Inc." Later in Pittsburgh and last reported in Baltimore.  
 Calloway, R. W., Wagoner and Paden, Okla. Was member of Sunbeam Electric Co., Wagoner, Okla.  
 Cru-ciger, Paul, last reported at 7227 Hermitage St., Pittsburgh.  
 Davis, Henry D., formerly of Eastport, Maine.  
 Eagle, E. D., formerly at Turlock, Cal., now believed at Waco, Tex.  
 Goodman, Max, formerly in retail liquor business at Pocahontas, Caswell County, Va.  
 Hamilton, W., of El Verano, Sonoma County, Cal.  
 Hill & Miller also known as U. S. Clothing Co., formerly at 111 Kingsley St., Asbury Park, N. J., and later moved to Lakewood, N. J.  
 Lux, W. N., Homer, Ill.  
 McKinnon, D. E., St. James, Minn.  
 Mattins, Anthony, formerly in business as the Mt. Vernon Rubber Co. at Mt. Vernon, N. Y.  
 Otto, Adolph, piano salesman at Ludington, Mich. Is about five feet seven inches tall, slim built and between thirty and forty years old.  
 Pierce, John M., formerly at 226 East Ave., Lockport, N. Y.  
 Roberts, Mortimer J., formerly at 253 Bergman Ave., and 237 Wegman Pl., Jersey City, N. J.  
 Rosencrans, F. B., formerly at San Francisco, at this time probably in Denver, Colo.  
 Schwenk, Isidore, dealer in ladies' hats, formerly at 714 Broadway, New York City.  
 Shaheen & Kafuly, formerly of Grand Rapids, now at Fargo, N. D.  
 Silvey, K. A., recently left Havre, Mont.  
 Stokes, J. W., formerly of Oklahoma City, Okla.  
 Thompson, G. B. and R. C., operated turkish baths at Jacksonville, Fla. and Asheville, N. C.  
 Zampick, Gustave, last reported at 902 Ellery St., Detroit, Mich.

## WANTS

Address all communications to applicants in this column care of the National Association of Credit Men, 41 Park Row, New York, N. Y.

**CREDIT, COLLECTION OR OFFICE MANAGER** desires connection with reliable firm, no objection as to location if prospects are favorable. Over ten years' experience in credits and collections and four years in handling large office force. Best of reference as to ability and personal character and habits. Aged 38, good personality and address. Reasonable salary will be considered. Address ADVERTISEMENT No. 98.

**CREDIT AND COLLECTION MANAGER, ACCOUNTANT, OFFICE MANAGER**, 35 years old, with 14 years' successful experience in above lines, eleven years in one position. Married, sober and industrious. Can give best of references as to character and ability. Fully capable of assuming responsibilities of such a position where advancement is possible and is due to merit. Address ADVERTISEMENT No. 99.

**ADVERTISING SALESMAN** with 14 years' experience with prominent houses desires to leave present connection to locate in Chicago. Interest lies in Western territory. Age 34. Salary to start \$5,000 per year. Address ADVERTISEMENT No. 100.

**CREDIT MANAGER, OFFICE MANAGER**, supervising accountant, auditor. Fourteen years of broad commercial experience with large firms have made me competent to handle the responsibilities of a bigger position than the one I now have. Thirty-four years old, married, American, college educated, systematic, personally efficient, a quick thinker, a hard worker, thoroughly conversant with all branches of my work. Best references as to character and ability. Willing to start at \$2,500 provided proper recognition is later given to merit. Prefer Los Angeles, San Francisco or other western cities. Address ADVERTISEMENT No. 101.

**CREDIT, COLLECTION AND OFFICE MANAGER** with twenty two years' experience, now connected with a large manufacturing corporation, desires a position in Philadelphia or vicinity. Broad experience and training fully qualify me to fill a position as manager of credit and collection departments, office manager or secretary and treasurer. Excellent reason for wanting to make a change. Age 42. Good health and aggressive. Address ADVERTISEMENT No. 102.

**CREDIT MAN, EXECUTIVE**, age 38, married, now with a leading New York house desires to change after Feb. 1st next. Seventeen years' experience in credit work also accounting, executive and financial work. Can show a first class record of achievement. Now making over \$5,000 per year, but it is opportunity to apply abilities rather than salary that is desired, and for remuneration only a fair share of what is made or saved for you. Address ADVERTISEMENT No. 103.

**OFFICE MANAGER, CREDIT MAN**, age 32, desires responsible connection, broad experience at home and abroad. Now holding responsible position as Assistant Manager and Credit Man of branch of foreign import and commission house, handling raw materials, velvet, silks, etc., for ladies' hat manufacturers. Offer excellent references both as to ability and integrity. Reference New York. Address ADVERTISEMENT No. 104.

**CREDIT OR COLLECTION MANAGER**. Position desired with manufacturing or jobbing establishment offering permanence and opportunity for ability, efficiency and loyalty. Eighteen years' business training in credits and collections and office management. Have been with present employers fourteen years. Highest references as to character and ability. Would consider position as assistant credit man; also moderate salary to start if the future prospects are favorable. Best of reasons for making change. Will locate anywhere in N. E. or New York State. Address ADVERTISEMENT No. 105.

**ACCOUNTANT, CREDITS, COLLECTION AND OFFICE MANAGER**, age 44, married, clean record, correct habits, good health, steady, hard and conscientious worker wishes to make connection in Philadelphia or vicinity with a progressive high grade house, where broader opportunities are offered. Am now employed as head accountant and assistant credit man. Have had 25 years of experience, handling retail accounts for manufacturers of men's fur felt hats and hosiery. Credentials of highest order. Salary, \$2,000 up. Address ADVERTISEMENT No. 106.

**SITUATION WANTED**. Credit man, with six years' experience in large manufacturing concern, having complete charge of foreign credits and sales, desires a change. Best of references can easily be furnished. Position must be a permanent one. Address ADVERTISEMENT No. 50.

**CREDIT MANAGER** with large wholesale house desires to make change in view of retirement from business of present owners. Have had fifteen years' experience handling large volume of business. Interview solicited with progressive concerns. Address ADVERTISEMENT No. 68.

## Organization of Committees 1916-1917

**ADJUSTMENT BUREAU**, Peyton B. Bethel, Chairman, Falls City Clothing Co., Louisville, Ky.; Wm. P. Brenner, Vice-Chairman, Brenner Candy Co., Green Bay, Wis.; D. H. Crocker, Vice-Chairman, Crocker Grocery Co., Wilkes-Barre, Pa.; Edward Drake, Vice-Chairman, J. K. Gill Co., Portland, Ore.; A. J. Murray, Vice-Chairman, McClelland-Ward Co., Decatur, Ill.; W. C. Stitt, Vice-Chairman, Youngstown Dry Goods Co., Youngstown, O.

**ADJUSTMENT BUREAU MANAGERS**, J. P. Galbraith, Chairman, Northwestern Jobbers' Credit Bureau, St. Paul, Minn.

**BANKING AND CURRENCY**, E. R. Ailes, Chairman, Detroit Steel Products Co., Detroit, Mich.; C. W. Dupuis, Vice-Chairman, Second National Bank, Cincinnati, Ohio; Edwin Hobby, Vice-Chairman, Security National Bank, Dallas, Texas; T. J. Kavanaugh, Vice-Chairman, Mississippi Valley Trust Co., St. Louis, Mo.; Gray Warren, Vice-Chairman, Federal Reserve Bank, Minneapolis, Minn.; Harry B. Wilcox, Vice-Chairman, First National Bank, Baltimore, Md.

**BANKRUPTCY LAW**, Charles Biggs, Chairman, 13 Astor Place, New York, N. Y.; John Johnson, Vice-Chairman, Clawson & Wilson Co., Buffalo, N. Y.; A. E. Matthews, Vice-Chairman, Colorado Fuel & Iron Co., Denver, Colo.; R. V. Covington, Vice-Chairman, The Covington Co., Jacksonville, Fla.; A. W. Thompson, Vice-Chairman, House, Hasson Hardware Co., Knoxville, Tenn.; F. G. Salter, Vice-Chairman, Durr Drug Co., Montgomery, Ala.; J. H. Foster, Vice-Chairman, The Texas Co., Norfolk, Va.; W. A. Masters, Vice-Chairman, John S. Brittain Dry Goods Co., St. Joseph, Mo.; J. T. Young, Vice-Chairman, Idaho Wholesale Grocery Co., Pocatello, Idaho; W. C. McGregor, Vice-Chairman, H. P. McGregor & Co., Wheeling, W. Va.

**BUSINESS LITERATURE**, Charles R. Clapp, Chairman, National Supply Co., Toledo, Ohio; W. D. Isham, Vice-Chairman, Harley-Davidson Motor Co., Milwaukee, Wis.; O. F. Lawyer, Vice-Chairman, F. P. Kirkendall & Co., Omaha, Neb.; J. G. Shapiro, Vice-Chairman, Shapiro & Shapiro, Bridgeport, Conn.; W. A. Woodmansee, Vice-Chairman, John Morrell & Co., Memphis, Tenn.

**BUSINESS MEETINGS**, Ziegler Sargent, Chairman, Sargent & Co., New Haven, Conn.; S. B. Burch, Vice-Chairman, Brand Shoe Co., Roanoke, Va.; Fred Diekmann, Vice-Chairman, Globe-Bosse-World Furniture Co., Evansville, Ind.; C. E. Dowling, Vice-Chairman, Standard Supply Co., Portsmouth, Ohio; H. B. Otis, Vice-Chairman, Bemis-Hopper-Hays Co., Oakshof, Wis.; C. J. Pellot, Vice-Chairman, Morley Bros., Saginaw, Mich.

**COMMERCIAL ARBITRATION**, Morris Weil, Chairman, National Bank of Commerce, Lincoln, Neb.; P. S. Adkerson, Vice-Chairman, W. W. Couch Co., Lynchburg, Va.; W. B. Howe, Vice-Chairman, Burlington

Free Press, Burlington, Vt.; W. M. Maxwell, Vice-Chairman, F. C. Huyck & Sons, Rensselaer, N. Y.; J. W. Pittenger, Vice-Chairman, National Newark Banking House, Newark, N. J.

**COMMERCIAL ETHICS**, John A. Field, Chairman, Noyes, Thomas & Co., Charleston, W. Va.; P. J. Alexander, Vice-Chairman, Flat Top Grocery Co., Bluefield, W. Va.; H. D. Elliott, Vice-Chairman, San Antonio Drug Co., San Antonio, Texas; P. V. Hollingsworth, Vice-Chairman, Hollingsworth Candy Co., Augusta, Ga.; E. L. Martin, Vice-Chairman, E. L. Martin Co., Lexington, Ky.

**CREDIT COOPERATION**, R. P. Simons, Chairman, W. W. Lawrence & Co., Pittsburgh, Pa.; W. G. Allen, Vice-Chairman, Tampa Drug Co., Tampa, Fla.; L. J. Bergman, Vice-Chairman, Pass & Seymour, Inc., Solway, N. Y.; J. W. Harlan, Vice-Chairman, Armour Fertilizer Co., Atlanta, Ga.; Erb Kreider, Vice-Chairman, Townley Metal Co., Kansas City, Mo.; J. H. Newbauer, Vice-Chairman, J. H. Newbauer & Co., San Francisco, Cal.

**CREDIT DEPARTMENT METHODS**, C. F. Hoerr, Chairman, Home Bank & Trust Co., Chicago, Ill.; G. L. Church, Vice-Chairman, Brown & Sharpe Mfg. Co., Providence, R. I.; Bert Evans, Vice-Chairman, Morris Grocery Co., Clarksburg, W. Va.; R. A. Porter, Vice-Chairman, Tyler Grocery Co., Birmingham, Ala.; A. E. Stevenson, Vice-Chairman, Beatrice Creamery Co., Des Moines, Iowa; E. W. Touzeau, Vice-Chairman, Lakewood Engineering Co., Cleveland, Ohio.

**CREDIT EDUCATION AND MANAGEMENT**, P. F. J. Muskopf, Chairman, Walbridge & Co., Buffalo, N. Y.; Carlton Austin, Vice-Chairman, Grand Rapids Brass Co., Grand Rapids, Mich.; T. J. Bartlette, Vice-Chairman, Williams Richardson & Co., Ltd., New Orleans, La.; G. E. Chapin, Vice-Chairman, Westinghouse Electric & Mfg. Co., New York, N. Y.; H. C. Coley, Vice-Chairman, Howard Bros. Mfg. Co., Worcester, Mass.; E. G. Lindberg, Vice-Chairman, Frye & Co., Seattle, Wash.

**CREDIT INTERCHANGE BUREAUS**, D. L. Sawyer, Chairman, F. Mayer Boot & Shoe Co., Milwaukee, Wis.; J. W. Chilton, Vice-Chairman, Credit Interchange Bureau, St. Louis, Mo.; A. H. Lydell, Vice-Chairman, J. W. Brum & Co., Springfield, Ill.; Samuel Mayer, Vice-Chairman, Isaac Fallers Sons & Co., Cincinnati, Ohio; M. L. Orear, Vice-Chairman, Credit Interchange Bureau, Kansas City, Mo.; E. Pillsbury, Vice-Chairman, Credit Interchange Bureau, New Orleans, La.; Lawrence Whittey, Vice-Chairman, Schoenbrun & Co., Chicago, Ill.

**EXEMPTION LAWS**, H. T. Hill, Chairman, Gray & Dudley Hardware Co., Nashville, Tenn.; W. W. Fegan, Vice-Chairman, Grand Forks, N. D.; Jacob Gazin, Vice-Chairman, Savannah, Ga.; F. F. Johnson, Vice-Chairman, Boise City National Bank, Boise, Idaho; A. W. Pollard, Vice-Chairman, W. D. Cleveland & Sons, Houston, Texas.



**FIRE INSURANCE.** L. Y. Langston, Chairman, The Maxfield Co., Oklahoma City, Okla.; Charles H. Bear, Vice-Chairman, G. H. Bear Furniture Co., Allentown, Pa.; J. D. Faucette, Vice-Chairman, Faucette Grocery Co., Bristol, Va.-Tenn.; R. W. Roberts, Vice-Chairman, Wingo, Ellett & Crump Shoe Co.; Richmond, Va.; J. P. Simpson, Vice-Chairman, Tacoma Gas Co., Tacoma, Wash.; Charles B. Stevens, Vice-Chairman, Horace B. Stevens, El Paso, Texas.

**FOREIGN CREDITS.** A. H. Boette, Honorary Chairman, Filsinger-Boette Shoe Co., St. Louis, Mo.; C. E. Thomas, Chairman, U. S. Steel Products Co., New York, N. Y.; H. W. Angevine, Vice-Chairman, Hyatt Roller Bearing Co., Newark, N. J.; E. L. Shippee, Vice-Chairman, Chicago-Kenosha Hosiery Co., Kenosha, Wis.; W. K. Hardt, Vice-Chairman, Fourth St. National Bank, Philadelphia Pa.

**INVESTIGATION AND PROSECUTION.** Freas Brown Snyder, Chairman, First National Bank, Philadelphia, Pa.; Willard Haff, Vice-Chair-

man, Wellington, Sears & Co., New York, N. Y.

**LEGISLATIVE.** H. R. Elbert, Chairman, Waples-Platter Grocery Co., Fort Worth, Texas.

**MEMBERSHIP.** J. D. Meek, Chairman, Indianapolis Electric Supply Co., Indianapolis, Ind.; W. G. Anglim, Vice-Chairman, Whaley & Anglim, St. Paul, Minn.; F. M. Couch, Vice-Chairman, Blake, Moffitt & Towne, Los Angeles, Cal.; C. F. Hood, Vice-Chairman, F. A. Hood & Co., Chattanooga, Tenn.; L. B. McCausland, Vice-Chairman, Ross Bros., Wichita, Kansas; Edward P. Tuttle, Vice-Chairman, Atlas Shoe Co., Boston, Mass.

**MERCANTILE AGENCIES.** E. F. Pillow, Chairman, Lincoln National Bank, Rochester, N. Y.; C. F. Dorsey, Vice-Chairman, Irwin Paper Co., Quincy, Ill.; A. J. May, Vice-Chairman, F. P. May Hardware Co., Washington, D. C.; H. C. Reed, Vice-Chairman, Wm. Tackaberry Co., Sioux City, Iowa; A. M. Solie, Vice-Chairman, Union Match Co., Duluth, Minn.; Charles Speck, Vice-Chairman, Herschel Mfg. Co., Peoria, Ill.

## Directory of Officers of the Affiliated Branches of the National Association of Credit Men

(Arranged Alphabetically by States)

**ALABAMA.** Birmingham—Merchants' Manufacturers' Association of Birmingham. President, R. A. Porter, Tyler Gro. Co.; Secretary, J. A. Coker, Birmingham Paper Co.; Assistant Secretary, R. H. Eggleston, Chamber of Commerce Bldg.; Manager, J. T. Slatten, 321-323 Chamber of Commerce Bldg.

**ALABAMA.** Montgomery—Montgomery Association of Credit Men. President, F. G. Salter, Durr Drug Co.; Secretary, Leo Gassenheimer, Mercantile Paper Co.; Assistant Secretary, J. M. Holloway, Bell Bldg.

**ALABAMA.** Selma—Selma Association of Credit Men. President, W. S. Monk, City National Bank; Secretary, J. S. Carothers, Selma Hdw. Co.

**ARKANSAS.** Fort Smith—Fort Smith Association of Credit Men. President, W. J. Murphy, W. J. Murphy, Saddlery; Secretary, John Laws, Atkinson, Williams Hdw. Co.

**ARKANSAS.** Little Rock—Little Rock Association of Credit Men. President, Sam T. Poe, 625 Southern Trust Bldg.; Secretary, E. H. Schmidt, Crane Co.

**CALIFORNIA.** Los Angeles—Los Angeles Credit Men's Association. President, A. K. Care, Cudahy Packing Co.; Secretary, W. C. Mushet, 512 Union League Bldg.

**CALIFORNIA.** San Diego—The Credit Association of San Diego. President, Frank Nolan, Russ Lumber & Mill Co.; Secretary, Carl O. Reitsloff, 607-8 Spreckles Theatre Bldg.

**CALIFORNIA.** San Francisco—San Francisco Credit Men's Association. President, Robt. H. Gay, American Can Co.; Secretary, Charles T. Hughes, 433 California St.

**COLORADO.** Denver—Denver Credit Men's Association. President, F. A. Pattison, American Steel & Wire Co.; Secretary, A. E. Matthews, Colorado Fuel & Iron Co.; Assistant Secretary, David F. Lowe, 503 Continental Bldg.

**COLORADO.** Pueblo—Pueblo Association of Credit Men. President, S. W. Pressy, Pressy Fruit Co.; Secretary, A. V. Fagerstrom, Hyde Paper Co.; Assistant Secretary, F. L. Taylor, 410 Central Block.

**CONNECTICUT.** Bridgeport—Bridgeport Association of Credit Men. President, Guy P. Miller, Bridgeport Brass Co.; Secretary, L. M. Allen, Bridgeport Brass Co.

**CONNECTICUT.** Hartford—Hartford Association of Credit Men. President, W. H. Rourke, E. Tucker's Sons Co.; Secretary, C. De L. Alton, J. B. Williams Co., Glastonbury, Conn.

**CONNECTICUT.** New Haven—New Haven Association of Credit Men. President, Ziegler Sargent, Sargent & Co.; Secretary, John R. Demarest, The Wilson H. Lee Co.

**DISTRICT OF COLUMBIA.** Washington—Washington Association of Credit Men. President, Arthur J. May, The F. P. May Hdw. Co.; Secretary, R. Preston Shealey, Colorado Bldg.

**FLORIDA.** Jacksonville—Jacksonville Credit Men's Association. President, J. D. Holmes, Baker & Holmes Co.; Secretary, J. W. Pettyjohn, Covington Co.

**FLORIDA.** Tampa—Tampa Association of Credit Men. President, Frank Bentley, The Bentley-Gray Dry Goods Co.; Secretary, K. S. Clark, Citizen's Bank Bldg.



GEORGIA, Atlanta—Atlanta Association of Credit Men. President, H. D. Carter, Dougherty-Little Redwine Co.; Secretary, H. T. Moore, Chamber of Commerce Bldg.

GEORGIA, Augusta—Augusta Association of Credit Men. President, A. H. Merry, Merry & Co.; Secretary, R. H. Daniel, Stovall-Pace Co.

GEORGIA, Savannah—Savannah Credit Men's Association. President, Oscar S. Kulman, American Specialty & Import Co.; Secretary, Girard M. Cohen, Savannah Credit Men's Association.

IDAHO, Boise—Boise Association of Credit Men, Ltd. President, John L. Hollingshead, Oakes & Co.; Secretary, D. J. A. Dirks, 216-218 Boise City Nat'l Bank Bldg.

ILLINOIS, Chicago—Chicago Association of Credit Men. President, E. J. Roberts, Chicago White Lead & Oil Co.; Secretary, Chas. R. Dickerson, 10 So. La Salle St.

ILLINOIS, Decatur—Decatur Association of Credit Men. President, W. Dieffenhafer, Field & Shorb; Secretary, Fred Hoyt.

ILLINOIS, Peoria—Peoria Association of Credit Men. President, A. J. Tapping, Barker & Wheeler; Secretary, R. A. Kellogg, C. E. Wheelock & Co.

ILLINOIS, Quincy—Quincy Association of Credit Men. President, A. T. Higgins, Meyer-Reigard-Higgins Mfg. Co.; Secretary, Frank Rothgeb, Quincy Confectionery Co.

ILLINOIS, Springfield—Springfield Association of Credit Men. President, George E. Keys, Farmers' National Bank; Secretary, George E. Lee, Jagaman-Bode Co.

INDIANA, Evansville—Evansville Association of Credit Men. President, Nestor Brentano, Southern Stove Works; Secretary, H. W. Sparrenberger, Parsons & Scoville Co.

INDIANA, Indianapolis—Indianapolis Association of Credit Men. President, Walter V. Bozell, Mutual China Co.; Secretary, Le Roy C. Breunig, Continental Nat. Bank.

INDIANA, South Bend—South Bend Association of Credit Men. President, A. E. Peltz, Jacobson, Peterson, Peltz & Kaufer; Secretary, R. P. Lang, South Bend Wholesale Grocery Co.

IOWA, Cedar Rapids—Cedar Rapids Association of Credit Men. President, J. D. Nicoll, Warfield-Pratt-Howell Co.; Secretary, J. J. Lenihan, 504 Mullin Bldg.

IOWA, Davenport—Davenport Association of Credit Men. President, G. S. Johnson, G. S. Johnson Co.; Secretary, Isaac Petersberger, 222 Lane Bldg.

IOWA, Des Moines—Des Moines Credit Men's Association. President, Charles A. Sayre, Des Moines Bridge & Iron Works; Secretary, Ernest R. Lucas, Schmitt & Henry Mfg. Co.

IOWA, Sioux City—Sioux City Association of Credit Men. President, R. B. Comstock, Tolerton & Warfield Co.; Secretary, W. F. Teter, 315 Trimble Bldg.

IOWA, Waterloo—Waterloo Association of Credit Men. President, J. A. Smith, Smith, Lichty & Hillman Co.; Secretary, G. B. Worthen, 518 Black Bldg.

KANSAS, Wichita—Wichita Association of Credit Men. President, Harry D. Howard, Massey Iron Co.; Secretary, A. I. Powers, Cudahy Packing Co.; Assistant Secretary, M. E. Garrison, 1009 Beacon Bldg.

KENTUCKY, Lexington—Lexington Credit Men's Association. President, J. L. Malin, Van Deren Hardware Co.; Secretary, C. L. Williamson, 1312-15 Fayette National Bank Bldg.

KENTUCKY, Louisville—Louisville Credit Men's Association. President, E. C. Mitchell, Peaslee-Gaubert Co.; Secretary, H. H. Ainslee, U. S. Trust Co. Bldg.

KENTUCKY, Paducah—Paducah Association of Credit Men. President, J. M. Walton, Covington Bros. & Co.; Secretary, Frederick Speck, Paducah Iron Co.

LOUISIANA, New Orleans—New Orleans Credit Men's Association. President, W. P. Simpson, C. T. Patterson Co., Ltd.; Secretary, T. J. Bartlett, Williams, Richardson & Co., Ltd.

MARYLAND, Baltimore—Baltimore Association of Credit Men. President, C. Walter Carnan, Baltimore Bargain House; Secretary, S. D. Buck, 100 Hopkins Pl.

MASSACHUSETTS, Boston—Boston Credit Men's Association. President, H. H. Humphrey, Brown, Durrell Co.; Secretary, Herbert A. Whiting, 77 Summer St.

MASSACHUSETTS, Springfield—Springfield Credit Men's Association. President, O. E. Doty, Third National Bank; Secretary, L. E. Herrick, Victor Sporting Goods Co.

MASSACHUSETTS, Worcester—Worcester Association of Credit Men. President, C. D. Mixer, Wright Wire Co.; Secretary, Horatio M. Richardson, Eastern Bridge & Structural Co.

MICHIGAN, Detroit—Detroit Association of Credit Men. President, O. A. Montgomery, Larned, Carter & Co.; Secretary, Frank R. Hamburger, 1032 Dime Bank Bldg.

MICHIGAN, Grand Rapids—Grand Rapids Credit Men's Association. President, H. C. Rindge, Rindge-Kalmbach-Logie Co., Ltd.; Secretary, Walter H. Brooks, 537 Michigan Trust Bldg.

MICHIGAN, Kalamazoo—Kalamazoo Association of Credit Men. President, Louis Rosenbaum, Kalamazoo Pant Co.; Secretary, F. R. Olmsted, Kalamazoo.

MICHIGAN, Lansing—Lansing Association of Credit Men. President, D. W. Caldwell, Northrup, Robertson, Carrier Co.; Secretary, J. A. Braun, Dudley Paper Co.

MICHIGAN, Saginaw—Saginaw Bay City Association of Credit Men. President, H. H. Bartling, Bay City Grocery Co.; Secretary, Frank Day Smith, 315 Bearinger Bldg.

MINNESOTA, Duluth—Duluth Association of Credit Men. (Duluth-Superior). President, Mark Baldwin, Bridgeman, Russell Co.; Secretary, W. O. Derby, Manhattan Bldg.

MINNESOTA, Minneapolis—Minneapolis Association of Credit Men. President, F. B. Atwood, Forman-Ford Co.; Secretary, W. O. Hawkins, McClellan Paper Co.

- MINNESOTA, St. Paul—St. Paul Association of Credit Men. President, H. E. Engstrom, G. Sommers & Co.; Secretary, Wm. D. Fritz, St. Paul Rubber Co.
- MISSOURI, Kansas City—Kansas City Association of Credit Men. President, E. L. McClure, Maxwell-McClure-Fitts D. G. Co.; Secretary, Marvin Orenar, 406-7-8 New England Bldg.
- MISSOURI, St. Joseph—St. Joseph Credit Men's Association. President, W. A. Masters, John S. Brittain Dry Goods Co.; Secretary, M. A. Myers, Wyeth Hdw. & Mfg. Co.
- MISSOURI, St. Louis—St. Louis Association of Credit Men. President, W. J. Burton, Frank Adam Electric Co.; Secretary, C. P. Welsh, 333 Boatmen's Bank Bldg.
- MONTANA, Billings—Billings Credit Men's Association. President, Leslie R. Miller, Russell-Miller Milling Co.; Secretary, H. C. Stringham, Electric Bldg.
- MONTANA, Butte—Butte Association of Credit Men. President, A. J. Kneivel, Butte Potato & Produce Co.; Secretary, R. A. Kunkel, Daly Bank & Trust Co.; Assistant Secretary, R. E. Clawson, Ind. Telephone Bldg.
- MONTANA, Great Falls—Northern Montana Association of Credit Men. President, C. E. Heisey, Heisey Gro. Co.; Secretary, J. J. Flaherty, Great Falls Paper Co.
- NEBRASKA, Lincoln—Lincoln Credit Men's Association. President, E. W. Nelson, Rudge & Guenzel Co.; Secretary, H. T. Folsom, Union Coal Co.
- NEBRASKA, Omaha—The Omaha Association of Credit Men. President, B. A. Wilcox, Omaha Nat'l Bank; Secretary, A. B. Palmer, Omaha Crockery Co.
- NEW JERSEY, Newark—Newark Association of Credit Men. President, F. P. Crane, Whitehead & Hoag Co.; Secretary, Chas. E. Daniel, 802 Wiss Bldg.
- NEW YORK, Albany—Albany Association of Credit Men. President, Reuel C. B. Adams, National Commercial Bank; Secretary, John Eberle, Hoy & Co.
- NEW YORK, Buffalo—Buffalo Association of Credit Men. President, T. W. Hammond, Sizer Forge Co.; Secretary, Harry R. Bridgman, 1001 Mutual Life Bldg.
- NEW YORK, New York—New York Credit Men's Association. President, W. F. H. Koelsch, Bank of the United States; Secretary, A. H. Alexander, 320 Broadway.
- NEW YORK, Rochester—Rochester Association of Credit Men. President, Frederick W. Reidenbach, Coates, Bennett & Reidenbach; Secretary, Edward Weter, Yawman & Erbe Mfg. Co.
- NEW YORK, Syracuse—Syracuse Association of Credit Men. President, R. B. Roantree, Benedict Mfg. Co.; Secretary, H. B. Buell, Vinney Bldg.
- NEW YORK, Utica—Utica Association of Credit Men. President, L. G. Rots, Bowe-Gaus Shoe Co.; Secretary, John G. Duffy, Utica Chamber of Commerce.
- NORTH CAROLINA, Wilmington—Wilmington Association of Credit Men. President, A. M. Hall, Hall & Pearsall, Inc.; Secretary, Cyrus D. Hogue, Bureau of Credits.
- NORTH DAKOTA, Fargo—Fargo Association of Credit Men. President, W. W. Smith, North Dakota Harness Co.; Secretary, H. L. Loomis, N. W. Mutual Savings & Loan Ass'n.
- NORTH DAKOTA, Grand Forks—Grand Forks Association of Credit Men. President, C. O. Hagen, Grand Forks Mercantile Co.; Secretary, S. H. Booth, Congress Candy Co.
- OHIO, Cincinnati—Cincinnati Association of Credit Men. President, J. E. McClain, Jos. R. Peebles Sons Co.; Secretary, J. L. Richey, 631-2 Union Trust Bldg.
- OHIO, Cleveland—Cleveland Association of Credit Men. President, William Tonks, First National Bank; Secretary, D. W. Cauley, 326 Engineers Bldg.
- OHIO, Columbus—Columbus Credit Men's Association. President, D. B. Neil, Lawrence Press Co.; Secretary, Benson G. Watson, 411-420 The New First National Bank Bldg.
- OHIO, Dayton—Dayton Association of Credit Men. President, Geo. B. Smith, The Kinnaird Mfg. Co.; Secretary, J. Q. A. Johnson, Jr., U. B. Bldg.
- OHIO, Toledo—Toledo Association of Credit Men. President, Charles R. Clapp, National Supply Co.; Secretary, Fred A. Brown, 723 Nicholas Bldg.
- OHIO, Youngstown—Youngstown Association of Credit Men. President, M. I. Arms, 2d, The Republic Rubber Co.; Secretary, W. C. McKain, 1106-7 Mahoning National Bank Bldg.
- OKLAHOMA, Oklahoma City—Oklahoma City Association of Credit Men. President, L. M. Farnum, Ridenour, Baker Merc. Co.; Secretary, E. C. Smith, 1217 Colcord Bldg.
- OREGON, Portland—Portland Association of Credit Men. President, B. M. Denison, Albers Bros. Milling Co.; Secretary, P. L. Bishop, Lang & Co.
- PENNSYLVANIA, Allentown—Lehigh Valley Association of Credit Men. President, Arjay Davies, The H. G. Tomblor Grocery Co.; Easton; Secretary, E. V. Ryan, 402 Hunsicker Bldg.
- PENNSYLVANIA, New Castle—New Castle Association of Credit Men. President, John B. Offutt, New Castle Notion Co.; Secretary, Roy M. Jamison, 509 Greer Block.
- PENNSYLVANIA, Philadelphia—Philadelphia Association of Credit Men. President, George Masters, Masters & Hoffman; Secretary, David A. Longacre, Room 801, 1011 Chestnut St.
- PENNSYLVANIA, Pittsburgh—Pittsburgh Association of Credit Men. President, Robert P. Simons, W. W. Lawrence Co.; Secretary, A. C. Ellis, Renshaw Bldg.
- PENNSYLVANIA, Reading—Reading Credit Men's Association. President, J. J. Knoll, Delp, Knoll Gro. Co.; Secretary, Geo. W. Mayers, Kurtz & Mayers.
- PENNSYLVANIA, Wilkes-Barre—Wilkes-Barre Association of Credit Men. President, J. Frank Hart, Hart, Lee Co.; Secretary, Geo. H. McDonnell, 724 Miners Bank Bldg.
- RHODE ISLAND, Providence—Providence Association of Credit Men. President, George W. Gardner, Union Trust Co.; Secretary, P. A. Cushing, 16 Hamilton St.

**SOUTH CAROLINA, Columbia**—Columbia Association of Credit Men. President, E. N. Joyner, Southern States Supply Co.; Secretary, R. W. Holcomb, Chamber of Commerce.

**SOUTH CAROLINA, Greenville**—Greenville Association of Credit Men. President, S. A. Moore, Norwood Nat. Bank; Secretary, W. Lindsey Smith, Mountain City Milling Co.

**SOUTH DAKOTA, Sioux Falls**—Sioux Falls Association of Credit Men. President, A. R. Fellows, Brown Drug Co.; Secretary, Harry Pomeroy, Sioux Falls Paper Co.

**TENNESSEE, Chattanooga**—Chattanooga Association of Credit Men. President, Geo. W. Wallace, Betterton-Wallace Shoe Co.; Secretary, H. W. Longley, Chattanooga Wheelbarrow Co.

**TENNESSEE, Johnson City**—Johnson City Association of Credit Men. President, F. J. Moses, H. T. Hackney Co.; Secretary, Nat. G. Taylor, Summers-Parrott Hdw. Co.

**TENNESSEE, Knoxville**—Knoxville Association of Credit Men. President, W. M. Bonham, C. M. McClung & Co.; Secretary, W. A. DeGroat, Anderson-Dulin-Varnell Co.

**TENNESSEE, Memphis**—Memphis Association of Credit Men. President, Jos. H. Mangum, Pidgeon-Thomas Iron Co.; Secretary, Oscar H. Cleveland, Business Men's Club Bldg.

**TENNESSEE, Nashville**—Nashville Credit Men's Association. President, H. T. Hill, Gray & Dudley Hdw. Co.; Secretary, Chas. H. Warwick, 1222 Stahlman Bldg.

**TEXAS, Austin**—Austin Association of Credit Men. President, A. J. Eilers, McKean-Eilers Co.; Secretary, R. L. Bewley, P. O. Box 1075.

**TEXAS, Dallas**—Dallas Association of Credit Men. President, C. E. Burbridge, John Deere Plow Co.; Secretary, J. S. Covert, Sherwin-Williams Paint Co.

**TEXAS, El Paso**—El Paso Association of Credit Men. President, Claiborne Adams, El Paso Grain and Milling Co.; Secretary, S. W. Daniels, 307 City National Bank Bldg.

**TEXAS, Fort Worth**—Fort Worth Association of Credit Men. President, Fred Largent, Nash Hdw. Co.; Secretary, Geo. O. McGown, McGown, Murphy & McGown.

**TEXAS, Houston**—Houston Association of Credit Men. President, Fred Autrey, Desel-Boettcher Co.; Secretary, F. G. Masquelette, 1117 Union Nat. Bldg.

**TEXAS, San Antonio**—San Antonio Association of Credit Men. President, George T. Allensworth, Allensworth-Carnahan Co.; Secretary, Arthur Storms, Pioneer Flour Mills; Manager, Henry A. Hirschberg, Chamber of Commerce.

**UTAH, Salt Lake City**—Utah Association of Credit Men. President, Arthur Parsons, 390 Quince St.; Assistant Secretary, Walter Wright, P. O. Box 886.

**VERMONT, Burlington**—Vermont Association of Credit Men. President, F. E. Kimball, Spaulding & Kimball; Secretary, H. S. Howard, Howard's Insurance Agency.

**VIRGINIA-TENNESSEE, Bristol**—Bristol Association of Credit Men. President, F. C. Newman, King Bros. Shoe Co.; Secretary, J. O. Simpkins, Bristol Ice Cream Co.

**VIRGINIA, Lynchburg**—Lynchburg

Credit Men's Association. President, J. L. Caskie, Watts Bros. & Co.; Secretary, Harry H. Brown, Craddock-Terry Co.

**VIRGINIA, Norfolk**—Norfolk-Tidewater Association of Credit Men. President, H. G. Barbee, Harris, Woodson, Barbee Co.; Secretary, C. L. Whitchard, Whitchard Bros. Co.; Assistant Secretary, Shelton N. Woodard, 1210 National Bank of Commerce Bldg.

**VIRGINIA, Richmond**—Richmond Credit Men's Association. President, C. S. Fensom, Watkins-Cotrell Co.; Secretary, Jo Lane Stern, 905 Travelers' Insurance Bldg.

**VIRGINIA, Roanoke**—Roanoke Association of Credit Men. President, G. G. Moore, Nelson Hdw. Co.; Secretary, B. A. Marks, W. C. Jones & Co.

**WASHINGTON, Seattle**—Seattle Association of Credit Men. President, H. F. Potter, Crane Co.; Secretary, R. A. Wright, H. J. Heinz Co.

**WASHINGTON, Spokane**—Spokane Merchants' Association. President, R. O. McClintock, McClintock-Trunk Co.; Secretary, J. B. Campbell, Old National Bank Bldg.; Assistant Secretary, James D. Meikle.

**WASHINGTON, Tacoma**—Tacoma Association of Credit Men. President, H. B. Clark, John B. Stevens & Co.; Secretary, R. D. Simpson, Tacoma Bldg.

**WEST VIRGINIA, Bluefield-Graham**—Bluefield-Graham Credit Men's Association. President, George Phillips, Wright Milling Co.; Secretary, P. J. Alexander, Flat Top Gro. Co.; Bluefield, W. Va.

**WEST VIRGINIA, Charleston**—Charleston Association of Credit Men. President, R. E. L. Ruffner, Ruffner Bros.; Secretary, Okey Johnson, Abney-Barnes Co.

**WEST VIRGINIA, Clarksburg**—Central West Virginia Association of Credit Men. President, W. T. Wallis, Hornor-Gaylord Co.; Secretary, Bert Evans, 410 Union National Bank Bldg.

**WEST VIRGINIA, Huntington**—Huntington Association of Credit Men. President, Robert L. Archer, First National Bank; Secretary, H. S. Ivie, Huntington Wholesale Grocery Co.

**WEST VIRGINIA, Parkersburg**—Parkersburg-Marietta Association of Credit Men. President, T. E. Graham, Graham-Bumgarner Co.; Secretary, H. W. Russell, Rectory Bldg.

**WEST VIRGINIA, Wheeling**—Wheeling Association of Credit Men. President, W. C. McGregor, H. P. McGregor Co.; Secretary, John E. Schellhase, Room 8, Market Auditorium.

**WISCONSIN, Fond du Lac**—Fond du Lac Association of Credit Men. President, E. B. Hutchins, Boex-Holman Co.; Secretary, A. P. Baker, 91-93 South Main St.

**WISCONSIN, Green Bay**—Wholesale Credit Men's Association of Green Bay. President, Wm. P. Brenner, Brenner Candy Co.; Secretary, J. V. Rorer, 129 So. Washington St.

**WISCONSIN, Milwaukee**—Milwaukee Association of Credit Men. President, Frank G. Smith, The Frank G. Smith Co.; Secretary, H. M. Battin, 610 Germania Bldg.

**WISCONSIN, Oshkosh**—Oshkosh Association of Credit Men. President, Erle Thompson, Paragon Oil & Supply Co.; Secretary, Chas. D. Breon, 83 Monument Sq.

## Directory of Adjustment Bureaus Conducted by Local Credit Men's Associations

**Communications Should Be Addressed to the Parties Named  
Below, with Title Indicated.**

California, Los Angeles, F. C. De Lano, Mgr., Higgins Bldg.  
 California, San Diego, Carl O. Retzlaff, Mgr., 607-608 Spreckles' Bldg.  
 California, San Francisco, C. T. Hughes, Mgr., 521 Insurance Bldg.  
 Colorado, Pueblo, F. L. Taylor, Mgr., 410 Central Block.  
 Connecticut, New Haven, Adjustment Committee, Clarence W. Bronson, 129 Church St.  
 District of Columbia, Washington, R. Preston Shealey, Mgr., Colorado Bldg.  
 Florida, Jacksonville, H. Lyle, Mgr., 506 Dyal-Upchurch Bldg.  
 Florida, Tampa, K. S. Clark, Citizens' Bank Bldg.  
 Georgia, Atlanta, R. C. Patterson, Mgr., 304 Chamber of Commerce Bldg.  
 Georgia, Augusta, H. M. Oliver, Mgr., 6 Campbell Bldg.  
 Georgia, Savannah, Girard M. Cohen, Sec'y, Savannah Salvage & Adjustment Bureau,  
 Germania Bank Bldg.  
 Idaho, Boise, D. J. A. Dirks, Mgr., 305 Idaho Bldg.  
 Illinois, Chicago, M. C. Rasmussen, Mgr., 10 S. La Salle St.  
 Illinois, Decatur, C. A. McMillen, 409 Milliken Bldg.  
 Indiana, Evansville, H. W. Voss, Mgr., Furniture Exchange Bldg.  
 Indiana, Indianapolis, W. E. Balch, Mgr., 7th Floor News Bldg.  
 Indiana, South Bend, L. M. Hammerschmidt, 710 J. M. S. Bldg.  
 Iowa, Cedar Rapids, J. J. Lenihan, Mgr., Luberger & Lenihan.  
 Iowa, Davenport, Isaac Petersberger, Mgr., 222 Lane Bldg.  
 Iowa, Des Moines, A. W. Brett, Mgr., 708 Youngman Bldg.  
 Iowa, Sioux City, Peter Balkema, 601 Trimble Bldg.  
 Kansas, Wichita, M. E. Garrison, Mgr., 1009 Beacon Bldg.  
 Kentucky, Lexington, C. L. Williamson, Mgr., McClelland Bldg.  
 Kentucky, Louisville, Chas. Fitzgerald, Mgr., 45 U. S. Trust Co. Bldg.  
 Louisiana, New Orleans, E. Pilabury, Supt., 608 Canal, Louisiana Bank Bldg.  
 Maryland, Baltimore, S. D. Buck, Mgr., 100 Hopkins Place.  
 Massachusetts, Boston, H. A. Whiting, Sec'y, 77 Summer St.  
 Michigan, Grand Rapids, Walter H. Brooks, Sec'y, 537 Michigan Trust Bldg.  
 Michigan, Saginaw-Bay City, Frank Day Smith, Sec'y, 315 Bearinger Bldg., Saginaw.  
 Minnesota, Duluth, W. O. Derby, Mgr., 624 Manhattan Bldg.  
 Minnesota, Minneapolis, J. P. Galbraith, Mgr., 241 Endicott Bldg., St. Paul.  
 Minnesota, St. Paul, John P. Galbraith, Mgr., 241 Endicott Bldg.  
 Missouri, Kansas City, M. L. Orear, Mgr., 406-8-9 New England Bldg.  
 Missouri, St. Louis, J. W. Chilton, 324 Boatmen's Bank Bldg.  
 Montana, Butte, R. E. Clawson, Asst. Sec'y, Ind. Telephone Bldg.  
 Nebraska, Lincoln and Omaha, John Duff, Mgr., 217 Karbach Block, Omaha.  
 New Jersey, Newark, Chas. E. Daniel, Mgr., 802 Wiss Bldg.  
 New York, Buffalo, W. B. Grandison, Mgr., 1001 Mutual Life Bldg.  
 New York, Central New York Credit and Adjustment Bureau, Inc., H. B. Buell, Mgr.,  
 Syracuse.  
 Ohio, Cincinnati, John L. Richey, Sec'y, 631 Union Trust Bldg.  
 Ohio, Cleveland, T. C. Keller, Commissioner, 326 Engineers Bldg.  
 Ohio, Columbus, B. B. Watson, Mgr., 411 The New First National Bank Bldg.  
 Ohio, Toledo, Fred A. Brown, Mgr., 723 Nicholas Bldg.  
 Ohio, Youngstown, W. C. McKain, Mgr., 1106 Mahoning National Bank Bldg.  
 Oklahoma, Oklahoma City, Eugene Miller, Mgr., 1217 Colcord Bldg.  
 Oregon, Portland, B. K. Knapp, Mgr., 216 Railway Exchange Bldg.  
 Pennsylvania, Allentown, Lehigh Valley Association of Credit Men, E. V. Ryan, Sec'y,  
 402 Hunsicker Bldg.  
 Pennsylvania, New Castle, Roy M. Jamison, Mgr., 509 Greer Block.  
 Pennsylvania, Philadelphia, David A. Longacre, Room 801, 1011 Chestnut St.  
 Pennsylvania, Pittsburgh, A. C. Ellis, Mgr., Renshaw Bldg.  
 Pennsylvania, Wilkes-Barre, G. H. McDonnell, Sec'y, 724 Miner's Bank Bldg.  
 Rhode Island, Providence, Lewis Swift, Jr., Commissioner, P. O. Box 800.  
 Tennessee, Chattanooga, J. H. McCallum, Mgr., Hamilton National Bank Bldg.  
 Tennessee, Memphis, Oscar H. Cleveland, Mgr., Business Men's Club Bldg.  
 Tennessee, Nashville, Chas. H. Warwick, Mgr., 1222 Stahlman Bldg.  
 Texas, Dallas, T. E. Blanchard, Mgr., 605 Slaughter Bldg.  
 Texas, El Paso, S. W. Daniels, Mgr., 35 City National Bank Bldg.  
 Texas, Houston, F. G. Masquelette, 1117 Union National Bank Bldg.  
 Texas, San Antonio, Henry A. Hirschberg, Mgr., Chamber of Commerce.  
 Utah, Salt Lake City, Walter Wright, Mgr., 1411 Walker Bank Bldg.  
 Virginia, Norfolk, Shelton N. Woodard, Mgr., 611 National Bank of Commerce Bldg.  
 Virginia, Richmond, Jo Lane Stern, Mgr., 905 Travelers' Insurance Bldg.  
 Washington, Seattle, L. H. Macomber, Mgr., Polson Bldg.  
 Washington, Spokane, J. B. Campbell, Mgr., 1124 Old National Bank Bldg.  
 Washington, Tacoma, W. W. Keyes, Mgr., 802 Tacoma Bldg.  
 West Virginia, Clarksburg, Central W. Va. Credit and Adjustment Bureau, U. R.  
 Hoffman, Mgr., 410 Union Bank Bldg.  
 West Virginia, Huntington, Tri-State Credit & Adjustment Bureau, Inc., G. C. Adams,  
 Mgr., 705 First Nat. Bk. Bldg.  
 West Virginia, Parkersburg, H. W. Russell, Mgr., Rectory Bldg.  
 West Virginia, Wheeling, J. E. Schellhase, Mgr., Room 8, Market Auditorium.  
 Wisconsin, Fond du Lac, A. P. Baker, Commercial Nat. Bank Bldg.  
 Wisconsin, Green Bay, J. V. Rorer, 129 South Washington St.  
 Wisconsin, Milwaukee, S. Fred Wetzler, Mgr., 1405 First National Bank Bldg.  
 Wisconsin, Oshkosh, Chas. D. Breon, Mgr., 83 Monument Square.